

**STATE OF SOUTH CAROLINA****South Carolina Electric & Gas Company – Annual Request  
for Revised Rates****BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA****COVER SHEET****DOCKET****NUMBER: 2009 - 211 - E**

(Please type or print)

**Submitted by:** K. Chad Burgess**SC Bar Number:** 69456**Address:** SCANA Corp.  
1426 Main Street MC 130  
Columbia, SC 29201**Telephone:** 803-217-8141**Fax:** 803-217-7931**Other:** \_\_\_\_\_**Email:** chad.burgess@scana.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

**DOCKETING INFORMATION** (Check all that apply)☐ **Emergency Relief demanded in petition**      ☐ **Request for item to be placed on Commission's Agenda expeditiously**☐ **Other:** \_\_\_\_\_

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input checked="" type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input checked="" type="checkbox"/> Letter	<input checked="" type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input checked="" type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**  
**DOCKET NO. 2009-211-E**

RECEIVED  
MAY 29 PM 2:30  
PUBLIC SERVICE  
COMMISSION

IN RE:

South Carolina Electric & Gas Company - )  
Annual Request for Review Rates )  
\_\_\_\_\_ )

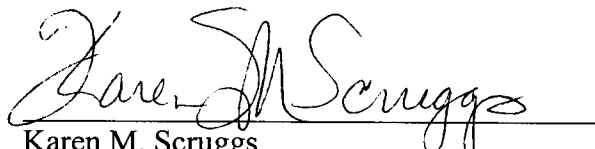
**CERTIFICATE  
OF SERVICE**

This is to certify that I have caused to be served this day one (1) copy of South Carolina Electric & Gas Company's **Annual Request for Revised Rates** to the persons named below via hand delivery:

Nanette S. Edwards, Esquire  
Office of Regulatory Staff  
1401 Main Street, Suite 900  
Columbia, SC 29201

Shannon Bowyer Hudson, Esquire  
Office of Regulatory Staff  
1401 Main Street, Suite 900  
Columbia, SC 29201

John Flitter  
Office of Regulatory Staff  
1401 Main Street, Suite 900  
Columbia, SC 29201

  
Karen M. Scruggs

Columbia, South Carolina  
This 29<sup>th</sup> day of May 2009



May 29, 2009

**VIA HAND DELIVERY**

The Honorable Charles Terreni  
Chief Clerk/Administrator  
**Public Service Commission of South Carolina**  
101 Executive Center Drive (29210)  
Post Office Drawer 11649  
Columbia, South Carolina 29211

RECEIVED  
2009 MAY 29 PM 2:30  
PUBLIC SERVICE  
COMMISSION

RE: South Carolina Electric & Gas Company  
Annual Request for Revised Rates  
Docket No. 2009-211-E

Dear Mr. Terreni:

South Carolina Electric & Gas Company ("SCE&G" or "Company"), pursuant to S.C. Code Ann. § 58-33-280 (Supp. 2008), is hereby filing with the Public Service Commission of South Carolina ("Commission") ten (10) copies of its Annual Request for Revised Rates. You will also find enclosed a compact disc which contains an electronic version of the Company's request in PDF format.

Section 58-33-280 authorizes SCE&G to file an Annual Request for Revised Rates no earlier than one year after the filing of the Company's Combined Application, which was filed on May 30, 2008, in Docket No. 2008-196-E. In as much as the anniversary date of the filing of the Combined Application falls on a weekend, SCE&G submits this filing on May 29, 2009, to be effective May 30, 2009. As indicated in the Combined Application, the Company intends to file future requests for revised rates annually with an effective date of May 30. SCE&G is also petitioning the Commission to enter a confidentiality order protecting certain commercially sensitive information from disclosure, as set forth below.

As part its Annual Request for Revised Rates, SCE&G is filing as an exhibit, as required by § 58-33-280(B), a redacted and unredacted copy of its Quarterly Monitoring Report for the quarter ending March 31, 2009. Therefore, SCE&G is filing both a Public Version and a Confidential Version of its Annual Request for Revised Rates. In both versions, the Quarterly Monitoring Report is designated as Exhibit A.

The Confidential Version of the Annual Request for Revised Rates contains confidential information related to the pricing and pricing terms of the Engineering, Procurement and Construction Agreement ("EPC Contract") between SCE&G and a consortium consisting of Westinghouse Electric Company, LLC and Stone & Webster, Inc. (collectively, "Contractor"). The EPC Contract contains confidentiality provisions that require SCE&G to protect proprietary information that the Contractor believes to constitute trade secrets and to be commercially sensitive. The Contractor has requested that SCE&G maintain the confidentiality of certain

(Continued . . .)

information contained in the Quarterly Report; more specifically, certain portions of **Appendix 2, Appendix 3 and Appendix 4, Chart A** to the Quarterly Report. This confidential information has been redacted from the Public Version of those appendices.

In keeping with the Contractor's request and the terms of the EPC Contract, SCE&G respectfully requests that the Commission find that the Confidential Version of the Annual Request for Revised Rates contains protected information and issue a protective order barring the disclosure of Exhibit A of the Annual Request for Revised Rates under the Freedom of Information Act, S.C. Code Ann. §§ 30-4-10 *et seq.*, S.C. Code Ann. Regs. 103-804(S)(1), or any other provision of law, except in its public form. Pursuant to 26 S.C. Code Regs. 103-804(S)(2), the determination of whether a document may be exempt from disclosure is within the Commission's discretion. Such a ruling in this instance would be consistent with the Commission's prior ruling in Docket No. 2008-196-E finding, among other things, that the pricing and pricing terms of the EPC Contract to be confidential and issuing a protective order barring the disclosure of this information. See Commission Order No. 2008-467 and Commission Order No. 2008-696, as amended Order No. 2008-739, issued in Docket No. 2008-196-E.

To this end, and in accordance with Commission Order No. 2005-226, dated May 6, 2005, in Docket No. 2005-83-A, enclosed with this letter and attached to the Annual Request for Revised Rates as Exhibit A is as follows:

1. A true and correct copy of the Confidential Version of the Annual Request for Revised Rates in a sealed envelope marked "CONFIDENTIAL." Each confidential page of the Confidential Version of the Annual Request for Revised Rates is also marked "CONFIDENTIAL."
2. Ten copies of a redacted Public Version of the Annual Request for Revised Rates for filing and public disclosure.

SCE&G respectfully requests, in the event that anyone should seek disclosure of the unredacted Confidential Version of the above-referenced documents, that the Commission notify SCE&G of such request and provide it and the Contractor with an opportunity to obtain an order from this Commission or a court of competent jurisdiction protecting the Confidential Version of these documents from disclosure.

If you have any questions, please advise.

Very truly yours,



K. Chad Burgess

KCB/kms  
Enclosures

The Honorable Charles Terreni

May 29, 2009

Page 3

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cc: John W. Flitter  
Nanette S. Edwards, Esquire  
Shannon Bowyer Hudson, Esquire

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION**  
**OF**  
**SOUTH CAROLINA**  
**DOCKET NO. 2009-211-E**

In the Matter of:	)	<u><b>SOUTH CAROLINA ELECTRIC &amp;</b></u>
South Carolina Electric & Gas Company	)	<u><b>GAS COMPANY'S REQUEST FOR</b></u>
Annual Request for Revised Rates	)	<u><b>APPROVAL OF REVISED RATES</b></u>
	)	

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Pursuant to S.C. Code Ann. § 58-33-280, South Carolina Electric & Gas Company ("SCE&G" or "Company") hereby submits its annual request for approval of revised rates subsequent to the initial revised rates approved in Commission Order No. 2009-104(A) in Docket No. 2008-196-E.

In accordance with the terms of S.C. Code Ann. § 58-33-280, SCE&G may file with the Commission a request for approval of revised rates approved in a base load review order no earlier than one year after the filing of a combined application in accordance with the Base Load Review Act. In as much as the anniversary date of the filing of the Combined Application in Docket No. 2008-196-E falls on a weekend, this request is being submitted on May 29, 2009 to be effective as of that anniversary date, which is May 30, 2009. As indicated by SCE&G in the Combined Application in Docket No. 2008-196-E, SCE&G intends to file future requests for revised rates annually with an effective date of May 30.

In support of this request, SCE&G would respectfully show to the Commission:

1. SCE&G is a corporation duly organized and existing under the laws of the State of South Carolina, with its principal offices at 1426 Main Street, Columbia, South Carolina, 29201. The Company is engaged in, among other things, the business of generating,

transmitting, delivering, and providing electricity to public and private energy users for compensation.

2. SCE&G owns and operates an integrated electric utility system that serves over 652,000 customers in 24 counties in central and southern South Carolina. SCE&G's service territory includes the metropolitan areas of Charleston, Columbia, Beaufort, and Aiken and many other smaller cities and towns, and rural areas in South Carolina.

3. On May 30, 2008, SCE&G filed a Combined Application for a Certificate of Environmental Compatibility and Public Convenience and Necessity and for a Base Load Review Order for the Construction and Operation of a Nuclear Facility in Jenkinsville, South Carolina ("Combined Application") in Docket No. 2008-196-E. As part of the Combined Application, SCE&G requested initial revised rates reflecting the Company's then current investment in the plant.

4. A hearing on the Combined Application was held before the Commission starting on December 1, 2008 and concluding on December 17, 2008.

5. On March 2, 2009, the Commission issued Order No. 2009-104(A) granting the Combined Application and approving, *inter alia*, initial revised rates as requested in the Combined Application, as amended during the pendency of the hearing on the Combined Application.

6. In compliance with S.C. Code Ann. § 58-33-277(A) and Commission Order No. 2009-104(A), on May 15, 2009, SCE&G filed with the South Carolina Office of Regulatory Staff ("ORS") its Quarterly Report for the quarter ending March 31, 2009 (the "Quarterly Report"). The Quarterly Report provides information concerning the status of the construction of V. C. Summer Nuclear Station Units 2 & 3 (the "Units") and updates the capital cost and

construction schedules for the Units as approved in Order No. 2009-104(A). A copy of the Quarterly Report is attached as **Exhibit A**, which reflects that the Units are being constructed in accordance with the construction schedules and cumulative cost forecasts approved in Commission Order No. 2009-104(A).

7. So long as the Units are being constructed in accordance with the construction schedules and cumulative cost forecasts approved under Commission Order No. 2009-104(A), S.C. Code Ann. § 58-33-280(B) provides for the utility to recover through revised rates its weighted average cost of capital applied to all or part of the outstanding balance of construction work in progress calculated as of a date specified in a filing for revised rates.

8. As required by the Base Load Review Act, in calculating the proposed revised rates, SCE&G has utilized the factors, allocations, and rate design used to establish the initial revised rates or otherwise as approved by the Commission in Commission Order No. 2009-104(A). Accordingly, the proposed revised rates comply with the terms of that order and the Base Load Review Act.

9. As further required by the Base Load Review Act, the additional revenue to be collected through revised rates has been allocated among customer classes based on SCE&G's firm peak demand data from the prior year. For purposes of allocating the proposed rates in this filing, SCE&G has utilized data for the adjusted summer peak of 2008, as set forth in **Exhibit B**.

10. The revised rates as proposed herein will allow the Company to earn a return on equity of 11% as set forth in Commission Order 2009-104(A).

11. Pursuant to S.C. Code Ann. § 58-33-280(B), SCE&G has chosen June 30, 2009 as the date for calculating its outstanding balance of construction work in progress and weighted average cost of capital.



12. **Exhibit C** sets forth SCE&G's capital structure and weighted average cost of capital projected through June 30, 2009.

13. **Exhibit D** sets forth the calculation of the incremental revenue requirement associated with the proposed revised rates. As set forth in **Exhibit D**, the Company's projected outstanding balance of construction work in progress through June 30, 2009 is \$199,201,000. The resulting increase in retail rates is approximately \$22,533,000.

14. To recover this revenue requirement, SCE&G proposes to revise rates resulting in the following increases: the Residential class will have an average increase in rates of 1.21%, the Small General Service class will have an average increase in rates of 1.07%, the Medium General Service class will have an average increase in rates of 1.13%, and the Large General Service class will have an average increase in rates of 0.95%. See **Exhibit E**.

15. As **Exhibit F** to this filing, SCE&G is providing updated tariff sheets setting forth the revised rates being proposed in this docket.

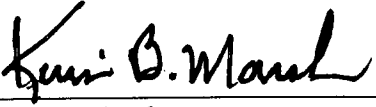
16. Consistent with Order No. 2009-104(A), SCE&G has increased the Basic Facilities Charges for the Small General Service, Medium General Service, and Large General Service classes. No changes have been made to the Basic Facilities Charge for the Residential class. Demand charges have been adjusted as appropriate for all customer classes. SCE&G reserves the right to adjust all of these charges as appropriate in future rate proceedings.

17. As **Exhibit G** to this filing, SCE&G is providing an updated forecast of future revenue requirements and rate increases that corresponds to the information provided on Exhibit M to the Combined Application in Docket No. 2008-196-E.

WHEREFORE, South Carolina Electric & Gas Company respectfully requests that, upon completion of the audit and report by ORS as provided in S.C. Code Ann. § 58-33-280(D), the Commission issue an Order approving the proposed revised rates as set forth herein.

**[SIGNATURE PAGE FOLLOWS]**

**SOUTH CAROLINA ELECTRIC & GAS COMPANY**

BY:   
Kevin B. Marsh  
President, South Carolina Electric & Gas Company

Date: May 30, 2009.

## **Index to Exhibits**

- 1. Exhibit A:** Quarterly Report for the Quarter Ending March 31, 2009.
- 2. Exhibit B:** Peak Demand Summary Allocations.
- 3. Exhibit C:** Capitalization Ratios and Capital Structure.
- 4. Exhibit D:** Calculation of the Revenue Requirement.
- 5. Exhibit E:** Rate Design Summary.
- 6. Exhibit F:** Proposed Electric Rate Schedules.
- 7. Exhibit G:** Update of Retail Rate Impact Projections.

**V. C. Summer Nuclear Station Units 2 & 3****Quarterly Report to the South Carolina Office of Regulatory Staff  
Submitted by South Carolina Electric & Gas Company  
Pursuant to Public Service Commission Order No. 2009-104A****Quarter Ending March 31, 2009****I. Introduction and Summary****A. Introduction**

This quarterly report is submitted by South Carolina Electric & Gas Company to the Public Service Commission of South Carolina and the South Carolina Office of Regulatory Staff. It is submitted in satisfaction of the requirements of S. C. Code Ann. § 58-33-277 (Supp. 2007) and the terms of Public Service Commission Order No. 2009-104A. The report provides updated information concerning the status of construction of V. C. Summer Nuclear Station Units 2 & 3 (the “Units”) and updates the capital cost and construction schedules for the Units as approved in Order No. 2009-104A. Order No. 2009-104A is the base load review order related to the Units that was issued by the Public Service Commission of South Carolina (the “Commission”) on February 27, 2009.

**B. Structure of Report and Appendices**

The current reporting period is the quarter ending March 31, 2009. The report is divided into the following sections:

- Section I: Introduction and Summary;
- Section II: Progress of Construction of the Units;
- Section III: Anticipated Construction Schedules;
- Section IV: Schedules of the Capital Costs Incurred Including Updates to the Information Required by S.C. Code Ann. § 58-33-270(B)(6) (the inflation indices);
- Section V: Updated Schedule of Anticipated Capital Costs; and
- Section VI: Conclusion.

**Appendices 1, 2, 4, and 5** to this report contain detailed financial, schedule and other information updating the schedules approved by the Commission in Order No. 2009-104A. For reference purposes, **Appendix 3** provides a copy of the original capital cost schedule for the project without adjustments in the form approved in Order No. 2009-104A.

A confidential and a public version of this report and its attachments are being provided.

As indicated below, construction of Units 2 & 3 is proceeding in full compliance with the cost and schedule forecasts approved by the Commission, as updated.

### **C. . Construction Schedule and Milestones**

As the report indicates, the Company has met all current milestones approved by the Commission in Order No. 2009-104A for the project, as adjusted pursuant to the construction schedule contingencies authorized in that order. As discussed below, the Commission-approved milestones are being tracked as 146 separate items. Of these, 28 have been completed as of March 31, 2009.

As discussed below, the milestones for the project have been adjusted to reflect the Performance Measurement Baseline Schedule. Pursuant to the engineering, procurement, and construction agreement for the Units (the "EPC Contract"), Westinghouse Electric Company, LLC and Stone & Webster (the "Consortium") provided this schedule to SCE&G on April 1, 2009. The Performance Measurement Baseline Schedule is the integrated engineering, procurement and construction schedule for the project and, as expected, represents a major refinement of the schedule that was provided in May of 2008 as an attachment to the EPC Contract. The milestone dates contained in the Performance Measurement Baseline Schedule are fully consistent with the guaranteed Substantial Completion dates for the Units of April 1, 2016 and January 1, 2019 and with the milestones and milestone contingencies approved in Order No. 2009-104A.

### **D. Construction Costs and Cost Forecasts**

As this report indicates, the Company is on track to complete the Units at the construction cost forecast of \$4.5 billion in 2007 dollars, net of Allowance for Funds Used During Construction ("AFUDC"), as approved in Order No. 2009-104A.

In Order No. 2009-104A, the Commission allowed forecasts of AFUDC expense and escalation to vary and required them to be updated with each quarterly report. As stated above, the project remains on track to meet the \$4.5 billion construction cost forecast in 2007 dollars. However, as the following chart shows, the forecasted gross construction costs for the project has increased due to increases in AFUDC expense and increases in the escalation expense.

**Chart A: Reconciliation of Capital Cost (\$000)**

<u>Forecast Item</u>	<u>Projected 3/31/09 @ Five-Year Average Escalation Rates</u>	<u>As Approved Order 2009- 104A</u>	<u>Change</u>
<b>Gross Construction</b>	\$6,875,315	\$6,313,376	\$561,939
<b>Less: AFUDC</b>	\$315,739	\$264,289	\$51,450
<b>Total Project Cash Flow</b>	\$6,559,576	\$6,049,087	\$510,489
<b>Less: Escalation</b>	\$2,024,829	\$1,514,340	\$510,489
<b>Capital Cost, 2007 Dollars</b>	<b>\$4,534,747</b>	<b>\$4,534,747</b>	<b>\$-0-</b>

As is discussed in more detail below, this increase in the gross construction cost forecast is principally related to high rates of escalation that are reflected in the historical five-year indices that are used to forecast future escalation and to forecast AFUDC expense. The current five-five year escalation rates capture the height of the inflationary pressure on construction costs and materials during the global commodities crunch of 2002-2008 and have yet to reflect fully the return of inflation rates to more normal levels since mid-2008. For comparison purposes, the following chart shows the gross construction forecast for the project using historical ten-year escalation averages instead of five-year averages. Using the ten-year escalation averages, the gross construction cost forecast would have fallen below the 2008 forecast reflect in Order No. 2009-104A by \$153 million.

**Chart B: Reconciliation of Capital Cost (\$000)**

<u>Forecast Item</u>	<u>Projected @ 3/31/2009 (Ten-Year Average Rates)</u>	<u>As Forecasted Or Approved In Order 2009- 104A</u>	<u>Change</u>
<b>Gross Construction</b>	\$6,160,738	\$6,313,376	(\$152,638)
<b>Less: AFUDC</b>	\$283,974	\$264,289	\$19,685
<b>Total Project Cash Flow</b>	\$5,876,764	\$6,049,087	(\$172,323)
<b>Less: Escalation</b>	\$1,342,017	\$1,514,340	(\$172,323)
<b>Capital Cost, 2007 Dollars</b>	<b>\$4,534,747</b>	<b>\$4,534,747</b>	<b>\$0</b>

The escalation and AFUDC rates and their effects on project costs are discussed more fully below. As discussed there, similar reductions in gross construction cost forecasts would result from recalculating construction cost forecasts using one-year escalation rates.

#### **E. Escalation Rates**

Escalation accounts for a \$510 million increase in total project cash flows in the current projection. There are two components to this escalation increase. The Performance Measurement Baseline Schedule and related changes in owner's costs and other items have shifted the schedule of forecasted project cash flow forward. This change in the timing of capital costs has resulted in an increase in overall escalation for the project. Changes in the forecasted timing of capital costs are responsible for \$118 million of the additional \$510 escalation reported above.

The remaining change in escalation, \$392 million, relates to changes in the applicable escalation rates. Under Order No. 2009-104A, escalation for construction costs is computed using historical one-year and five-year escalation rates. As provided in that order, the five-year escalation rate applies to all costs beyond the upcoming twelve months. At this stage of the project, five-year average escalation rates apply to slightly more than 85% of the base construction costs which are subject to indexed escalation. For that reason, the calculation of escalated project costs is particularly sensitive to the five-year escalation rate.



As shown on **Appendix 5**, utility construction costs were at historically high levels during the period 2005-2008, and have since dropped substantially. However, the current five-year averages do not fully reflect the flattening of future escalation rates which has occurred during the last year.

**Chart C: Handy-Whitman Escalation Rates**

<b>January 2009 Update</b>	
	<b>Escalation Rate</b>
<b><u>HW All Steam Index:</u></b>	
One year rate	<b>4.8%</b>
Five Year Average	<b>7.2%</b>
Ten Year Average	<b>4.9%</b>
<b><u>HW All Steam/Nuclear Index:</u></b>	
One year rate	<b>4.8%</b>
Five Year Average	<b>7.2%</b>
Ten Year Average	<b>4.9%</b>
<b><u>HW All Transmission Plant Index</u></b>	
One year rate	<b>7.4%</b>
Five Year Average	<b>8.6%</b>
Ten Year Average	<b>5.5%</b>

The Company does not believe that the current five-year projections reflect current inflation expectations. If the cost projections in this report were made using either one-year escalation rates or the ten-year escalation rates in place of five-year rates, the total project cash flow, net of AFUDC, would be less than the \$6.0 billion forecast reflected in Order No. 2009-104A. Using the one-year rates the total project cash flow, net of AFUDC, would be \$97 million less than forecasted in Order No. 2009-104A, and using the ten-year rates it would be \$172 million less.

**Chart D: Reconciliation of Capital Cost (\$000)**

<u>Forecast Item</u>	<u>As Forecasted Or Approved In Order 2009- 104A</u>	<u>Projected 3/31/09 @ Five- Year Average Escalation Rates</u>	<u>Recomputed Using One-Year Average Escalation Rates</u>	<u>Recomputed Using Ten-Year Average Escalation Rates</u>
<b>Capital Cost, 2007 Dollars</b>	\$4,534,747	\$4,534,747	\$4,534,747	\$4,534,747
<b>Plus: Escalation</b>	\$1,514,340	2,024,829	\$1,147,218	\$1,342,017
<b>Total Project Cash Flow</b>	\$6,049,087	\$6,559,576	\$5,951,965	\$5,876,764
<b><u>Change from Total Project Cash Flow as Forecasted in Order 2009-104A</u></b>	N/A	\$510,489	(\$97,122)	(\$172,323)

**F. Increased AFUDC Expense**

The projected increase in AFUDC expense for the project is \$51 million. Consistent with Order No. 2009-104A, SCE&G computes AFUDC based on the Construction Work in Progress that is outstanding between rate adjustments. The increase in project cash flow due to escalation has resulted in \$29 million of the \$51 million increase in forecasted AFUDC. In addition, SCE&G's AFUDC rate is currently 8.08% compared to 5.52% in May of 2008. This rate is forecasted to drop to 5.87% as capital markets recover and SCE&G is able to issue commercial paper to meet its short-term cash needs. However, increases in the AFUDC rates have resulted in \$22 million of the \$51 million forecasted increase in AFUDC rates.

#### **G. Contingency Usage and Availability**

As the summary table below indicates, none of the total project contingency of \$438,293,000 has been expended to date. One hundred percent of the contingency remains available for use in future periods.

**Chart E: Contingency Usage in 2007 Dollars (\$000)**

<u>Item</u>	<u>As of</u> <u>03/31/2009</u>	<u>As Approved</u> <u>Order 2009-104A</u>	<u>Change</u>
<b>Total Project Contingency</b>	\$438,293	\$438,293	\$ 0
<b>Cumulative Contingency to Date</b> ( <i>Col. 1: Actual; Col. 2: Approved</i> )	\$-0-	\$9,968	(\$9,968)
<b>Project Contingency Remaining</b>	\$438,293	\$428,325	\$9,968
<b>Percent of Project Contingency Remaining</b>	100%	97.8%	2.2%

As shown in more detail on **Exhibit 4, Chart C**, and as discussed below, SCE&G currently forecasts that as of 2018 it will have used a cumulative total of \$118 million of the \$438 million contingency fund to cover the increased escalation costs associated with project schedule changes.

#### **H. Compliance with the Commission Approved Cumulative Project Cash Flow Target**

Order No. 2009-104A established the Cumulative Project Cash Flow, listed on Exhibit F to the Combined Application, as the target for measuring the compliance of the project with the cost-related terms of that order. Order No. 2009-104A provided that this Cumulative Project Cash Flow target would be adjusted with each quarterly report to reflect updated escalation data and any use by the Company of the cost-related contingencies that the Commission approved in Order No. 2009-104A.

**Appendix 4, Chart A** provides the Cumulative Project Cash Flow target updated for current escalation data as of March 31, 2009 and the current cumulative cash flow schedules for the project. **Appendix 4, Chart B** compares the approved Cumulative Project Cash Flow target to the current cumulative cash flow schedules for the project,

which include actual costs where available and SCE&G's working forecasts of annual cash flows for future years. As shown on **Appendix 4, Chart B**, until the year 2015 the projected cash flow in each year of the construction schedule is less than or equal to the Cumulative Project Cash flow approved by the Commission in Order No. 2009-104A. In 2015, for timing reasons, the forecast indicates that the cumulative cash flow will exceed the approved target by \$36 million. For similar reasons, the cash flow, on a cumulative basis, before the use of contingency funds, is forecasted to exceed the target by \$207 million in 2016, and \$147 million in 2017 and \$118 million in 2018. However, the forecast also indicates that the Company will apply \$36 million in contingency funds in 2015 and \$172 million of contingency funds in 2016 to offset the full amount of these overages. SCE&G forecasts that it will have funds sufficient to restore \$60 million to the contingency in 2017 and \$29 million in 2018. After doing so, the Company forecasts that it will have \$320 million in uncommitted contingency funds remaining at the end of construction. Available contingency is not forecasted to drop below \$169 million at any time during the period 2014-2018. Accordingly, the analysis presented here shows that the project is in compliance both currently and prospectively with the terms of Order No. 2009-104A.

Furthermore, the timing differences contained in the current forecast are the result of the new construction schedule provided by the Consortium immediately after the close of the reporting period. SCE&G is preparing the necessary documentation to record adjustments to capital cost targets using the capital costs rescheduling contingency provisions approved by the Commission in Order No. 2009-104A. Use of these contingency provisions should eliminate a substantial part of the reported overages. Any rescheduling of these costs will be presented in future filings.

## **II. Progress of Construction of the Units**

Construction of the Project is progressing on schedule to meet the Unit 2 & 3 Substantial Completion dates of April 1, 2016 and January 1, 2019 respectively. A summary of the status of the Project is addressed in Section II.A-Section II.H below.

### **A. Licensing and Permitting Update**

#### **1. The Combined Operating License Application (COLA)**

The COLA review process continues on schedule for the Nuclear Regulatory Commission (NRC) to issue a Combined Operating License (COL) for the Units no later than July 1, 2011. Issuance of a COL by that date will allow nuclear safety related construction to begin on the Units on a schedule that supports the Substantial Completion dates set forth above. The status of the major COLA review areas is as follows:

**a) Nuclear Safety Review**

1) The Staff of the NRC is proceeding with its Phase 1 review of the Safety Evaluation Report (SER) for the Units. SCE&G, Bechtel Corp (which is SCE&G's consulting engineer for the COLA), and the Consortium are reviewing a number of Requests for Additional Information (RAIs) from the NRC Staff related to that review. The Company has been working with Bechtel specifically to ensure that Bechtel provides timely and thorough responses to these RAIs as they are issued by the NRC Staff. Bechtel has assured SCE&G that it is devoting the personnel and resources to this matter that are required to provide the required responses in a complete and timely fashion. All RAI activities are on schedule and no issues of concern have been identified based on the RAIs received to date.

2) The NRC Staff conducted a geotechnical/seismic audit at the Site during the week of March 30. This audit was deemed successful and no areas of concern related to geotechnical or seismic issues were identified.

3) The NRC is in the process of completing the SER for the Westinghouse (WEC) Design Control Document (DCD) Revision 17 and has identified several issues relating to engineering items. These issues include concerns related to certain aspects of the design of Category I structures, certain high frequency seismicity issues, and certain issues related to the Shield Building design method. SCE&G has expressed to WEC its absolute expectation that these matters be dealt with in a timely way that does not result in delays in the issuance of a COL for the Units. On April 3, 2009, the NRC issued a letter on the DCD Revision 17 review and approval schedule. The current NRC schedule shows a December 2010 final SER with an August 2011 final rule making. This final rule making is a prerequisite for the COLA approval and does not support the COLA approval date of July 2011 by several months. WEC is working to develop alternatives to assist in accelerating the review schedule or to minimize the impact to the project schedule. SCE&G is closely monitoring the DCD Revision 17 review process because of its potential impact on the schedule for the review and approval of the COLA for the Units. SCE&G has identified the status of the review and approval of DCD 17 as a focus area for on-going monitoring and attention to ensure that WEC does what is required to obtain the necessary approvals on a timely basis.

**b) Environmental Review**

The NRC held public meetings related to its environmental review of the project on the evening of January 27<sup>th</sup> at Fairfield Central High School in Winnsboro and on the evenings of January 28<sup>th</sup> and March 28<sup>th</sup> at McCrorey-Liston Elementary School in Blair. The NRC also conducted a Site audit during the week of March 9 as part of the Phase I scoping for the Environmental Impact Study. The NRC plans to complete the Phase I scoping of the Environmental Impact Study for the Units in June, 2009.

**c) Legal Review**

Several parties sought to intervene to raise issues before the Atomic Safety Licensing Board (ASLB) in its consideration of the COLA for the Units. As required by ASLB practice, these potential intervenors were required to list specific contentions that they would raise in opposition to the COLA. On February 18, 2009, the ASLB dismissed all contentions by these intervenors as being without merit, and dismissed their petitions for intervention. This action by the ASLB precluded the necessity of the ASLB prehearing that was originally scheduled for February, 2009. The intervenors have appealed the ASLB decision.

**2. Other Permits**

**a)** South Carolina Department of Health and Environmental Control (SCDHEC) issued the Storm Water Pollution Prevention Permit (SWPPP) Phase 1 (Notice of Intent), Phase 2A (Railroad Corridor) and Phase 2B (grading in Construction City and the Spoils Area). Work continues on the preparation of the additional SWPPP packages for future stages of construction. SWPPP permitting is proceeding in a timely and satisfactory manner.

**b)** SCE&G is working with the Army Corps of Engineers (ACOE) to obtain the ACOE 404 (wetlands) permit to allow grading in an area subject to Corps jurisdiction that is located in the area where the Cooling Towers for the Units are planned to be built. The area in question is a small length of intermittent stream bank. The approach that the ACOE is taking to its review and permitting process could delay the issuance of the required permit beyond the date that the permit is required to proceed with the construction schedule. In response, SCE&G and the Consortium are formulating a plan to reconfigure part of the site plan to avoid the need to impact this relatively small area of stream bank. There are no technical impediments to such a plan and the cost of this alternative approach

is well within applicable contingencies. This issue is a focus area for future oversight and review to ensure that issues related to ACOE permitting do not result in a delay in construction.

## **B. Engineering Update**

### **1. Engineering Completion Status**

a) The Engineering Completion Status based on the completion percentage for major plant categories is as follows:

- 1) Standard Plant Design – 72% complete
- 2) Site Specific Design – 23% complete
- 3) Total Design (procurement and construction planning)– 67% complete

b) The Engineering Completion Status as reported above reflects only the work necessary to bring the design outputs to a point where they are sufficient to support procurement and construction planning. By the end of 2009, SCE&G and the Consortium will add a new element to the engineering status report to measure the degree to which the design outputs are ready for field construction. This change will reflect an expansion in the scope of the engineering work being measured and will result in the Total Design completion percentage being less than that which is reported here. This change in reporting of design status is expected to be reflected in reporting on the project no later than the Quarterly report for the twelve months ending December 31, 2009. This change will not adversely impact the Engineering schedule or the substantial completion schedule for the Units.

c) In addition, on April 1, 2009, the Consortium provided SCE&G with a Performance Measurement Baseline Schedule (PMB) for the Units, which represents an expanded and refined version of the construction and engineering schedule that was operative through March 31, 2009. This new scheduling information is included in the milestone reports contained in this quarterly report. This expanded and refined schedule information supports the completion of the Units by the Substantial Completion dates, and all milestones are within the parameters of Commission Order No. 2009-104A.

## **2. Standard Plant Design Activities**

During the reporting period, the following standard plant design activities were conducted:

- a) WEC completed the Final Design Review for the Control Rod Drive Mechanism (CRDM) for the Units. WEC is in the process of performing the CRDM Latch Assembly life test to verify the strength and reliability of the assembly. Four (4) million steps were completed as of the end of March with a goal to complete nine (9) million steps in total. Steps are incremental movements of the control rods using the mechanism.
- b) The Squib Valve prototype for the Units is being tested. All tests to date have been successful. These valves are part of the reactor core cooling system and operate to direct coolant to the core in the event of a loss of coolant accident. They are activated by explosive caps to eliminate the need for motors and drives.
- c) Drawing packages were completed for:
  - i. The R251 module, which is a composite module for the Demineralizer in the Auxiliary Building;
  - ii. The CH21-25 modules, which are the floor modules for electrical equipment in the Auxiliary Building; and
  - iii. The CH31-35 modules, which are the floor modules for Instrument & Control equipment in the Auxiliary Building.
- d) WEC is conducting a three-dimensional model review to confirm the sizes and locations of the seventy-nine (79) penetrations in the CA01 module. The CA01 module is the concrete-filled-in-place structural module for the Steam Generator compartments and the Refueling Canal. This review will support the module fabrication for the project to construct multiple AP1000 units in China. This activity along with other Engineering/Construction activities supporting the China project will benefit the WEC USA projects.
- e) A design and construction interface review was performed for the Shield Building Design. The design-construction interface review is a review of the design with fabricators and contractors to ensure practicality of fabrication and construction and to ensure that requirements for fabrication and construction are clearly communicated.
- f) A Reactor Coolant loop geometry and manufacturing review was successfully held to critique the manufacturing process for the hot-legs, cold-legs and surge line of the Reactor Coolant loop. The



geometry and manufacturing review includes testing to ensure that configuration and materials of the Reactor Coolant loop piping are compatible with the manufacturing processes.

g) WEC plans to issue a Design Control Package (DCP) to the NRC to show an increase in the length of the footprint of the Turbine Building by approximately twelve (12) feet. This increase will allow additional space for Turbine Building equipment. This revision may impact the DCD, COLA and Site Layout but is not expected to raise significant engineering or other issues or to adversely impact the Project schedule. This is a focus area for SCE&G's oversight of the Consortium's work in order to ensure that the design and construction of the Turbine Building, equipment and supporting systems remains on schedule.

### **3. Site Specific Design Activities**

a) Shaw Engineering is performing Site Specific Design to support the Site excavation and grading work. Geotechnical evaluations continue, as well as the design work in support of the permit applications. This work is proceeding in an efficient and satisfactory manner.

b) Site Specific Design is in progress for Site Specific Systems, to include the Potable Water System, the Raw Water System, the Yard Fire Water System, the Power System for Construction City and the Switchyard. This work is proceeding in an efficient and satisfactory manner.

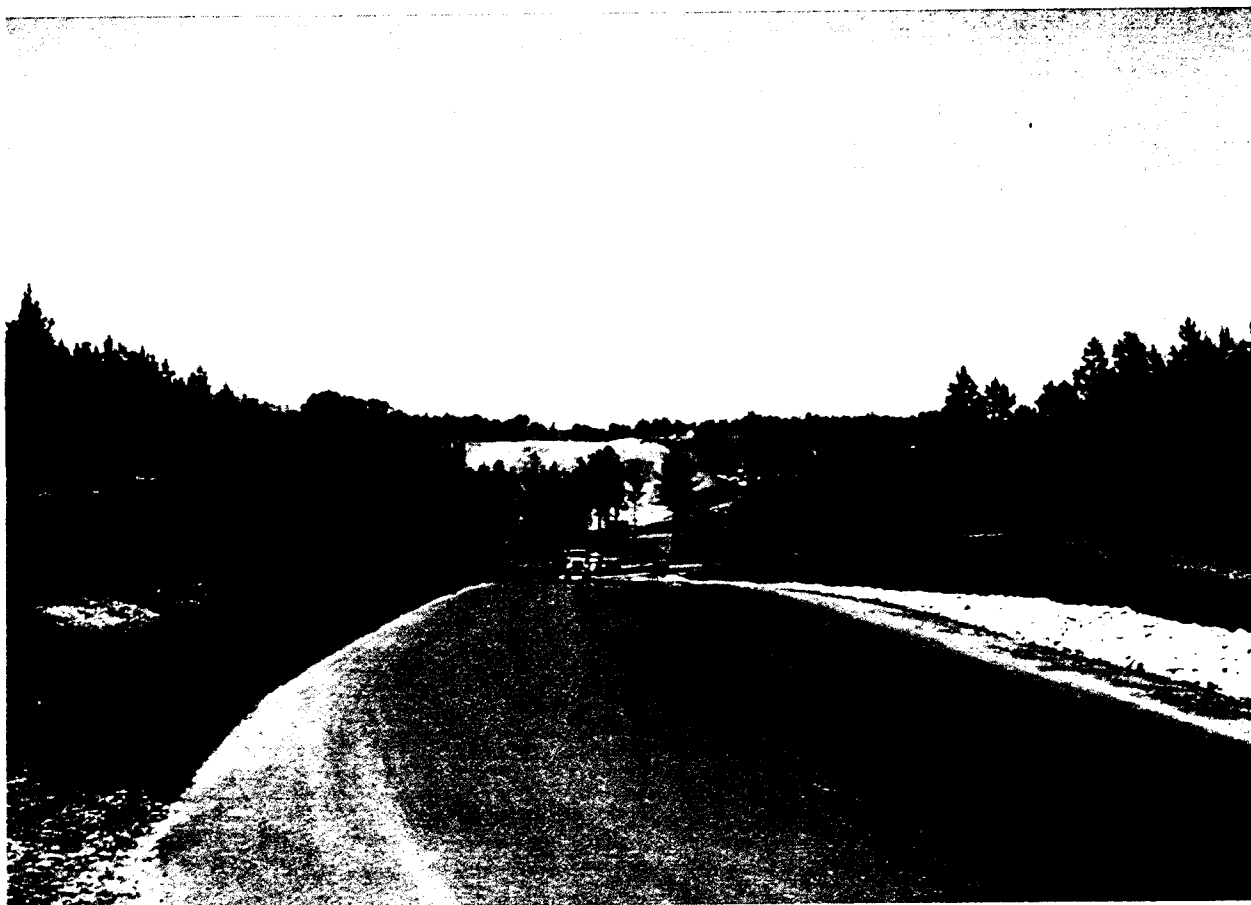
### **C. Procurement/Fabrication Update**

1. WEC placed a Purchase Order (PO) for the Turbine/Generator with Toshiba and a PO for the Squib Valves with SPX Copes Vulcan.
2. Mangiarotti, a subcontractor of WEC, issued POs for long lead materials for the Accumulator Tank, the Core Make-Up Tank, the Pressurizer and the Passive Residual Heat Exchanger.
3. NND Engineering representatives from SCE&G visited the Toshiba and Doosan manufacturing facilities in Japan and South Korea during the week of February 9. The visit included kick-off meetings with Doosan for the Reactor Vessel and Steam Generator manufacturing and with Toshiba for the Steam Turbine/Generator manufacturing.
4. Site Specific procurement activities included award of subcontracts to Hinkle for the Railroad Installation; to MC Dean for the Offsite Retail Power System (Construction City); the issuance of a Letter of

Inquiry to Hansen Pressure Pipe for the Circulating Water Pipe and Fittings; and the issuance of Request for Quotations (RFQs) for the Switchyard and Mayo Creek Bridge.

5. Shaw Modular Solutions is developing its module manufacturing facility, programs and schedule. Shaw Modular Solutions plans to begin module fabrication at its new manufacturing facility later in 2009.
6. NND is in the process of reviewing the Quality Plans for the Reactor Vessel and Steam Generator for the purpose of adding Owner Witness and Hold Points. The manufacturing of this equipment is scheduled to begin the 2<sup>nd</sup> quarter of 2009.

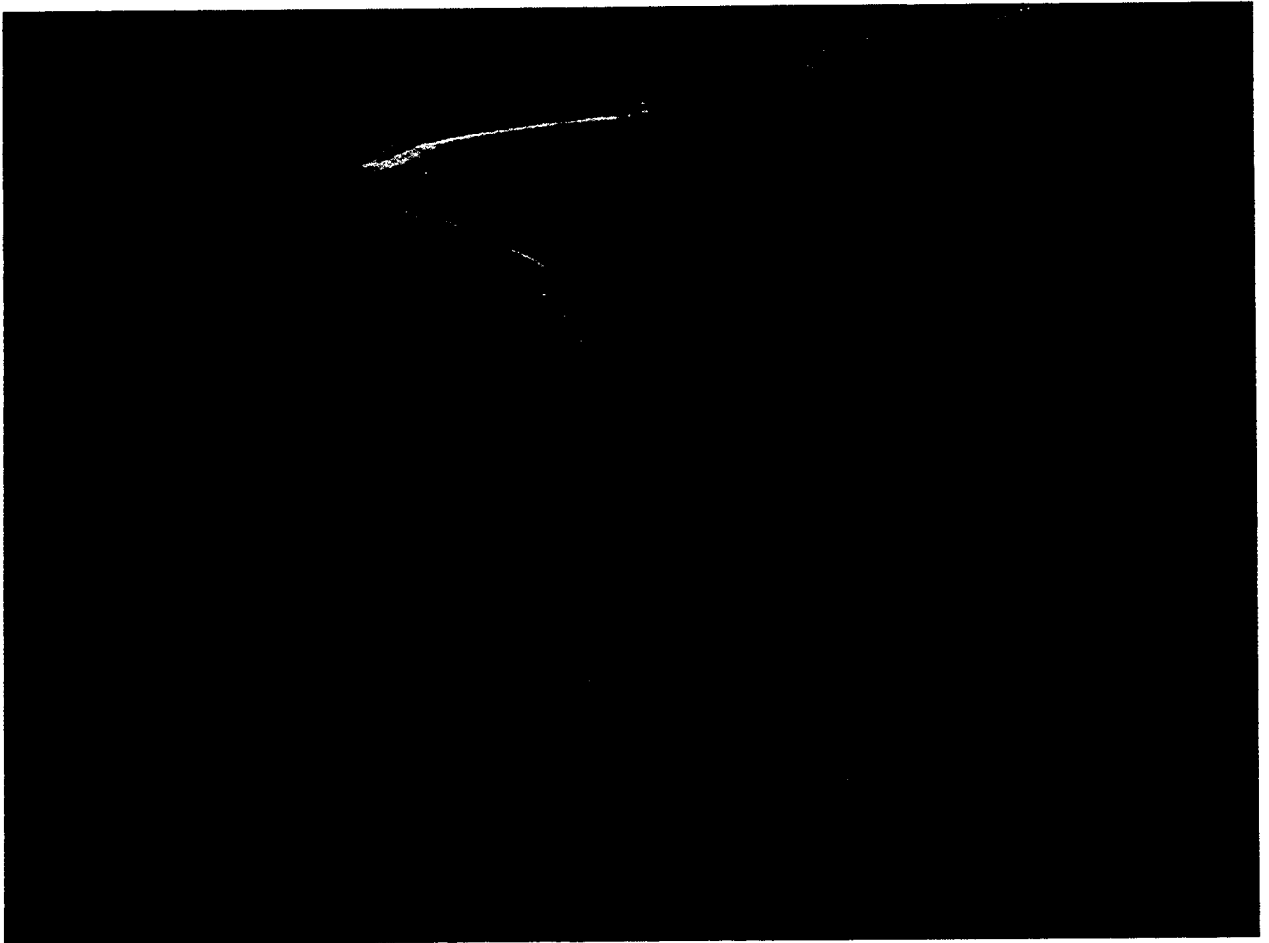
**Picture 1 – Construction Access Looking North**



**D. Construction Update**

1. The initial Site development work has commenced to include installation of the Construction Access Road (essentially complete), Sediment Basins and other erosion control measures (essentially complete along the Construction Access Road), Laydown Area 1, the Railroad Corridor (essentially ready for railroad ballast and rail installation) and the reconfiguration of the SC Highway 213 and Parr Road intersection (just begun). The Consortium subcontractors Morgan Corporation and Saiia Construction are performing this work.

**Picture 2 – Construction Access Road and Railroad Corridor**



2. Jenkinsville Water Company's contractor, C.B.G., Inc., started trenching and installation of water piping activities for the Potable Water System supply to Construction City and is approximately 30% complete with this activity.
3. Shaw continues finalization of the technical and commercial reviews to support the Heavy Lift Crane selection and Nuclear Island excavation plan. Close attention is being directed to this activity by the Consortium and SCE&G management to ensure that selection and procurement of the crane and design and construction of its footings do not delay the project's construction schedule. Because of potential impacts of the crane's availability on the construction schedule, this is a focus area for continuing oversight of the Consortium's work.
4. The Consortium finalized and submitted to SCE&G the Performance Measurement Baseline Schedule (PMB) on April 1, 2009 and the payment milestones associated with this schedule on April 15, 2009.

**Picture 3 – Railroad Spur Corridor – Track 1 Looking North**



**E. Training update**

1. Plans are being made to train the SCE&G Reactor Operator Training Instructors on the WEC Training Development Simulator that will be located at the WEC Training Facility in Pittsburgh.
2. NND is working with WEC to provide a Limited Scope Simulator (LSS) for the on-site training for the Plant Operators. This LSS is needed to support the initial simulator training of the SCE&G Reactor Operators in advance of delivery of the certified simulators scheduled to be delivered in 2013. This is a focus area of SCE&G's oversight of the Consortium to ensure that the Consortium finalizes the required contractual agreements to support the early delivery of the LSS and associated training activities.

**F. Change Control Update**

1. NND is working with the Consortium on the processing of Change Order #1 for the training of the SCE&G Reactor Operator Training

Instructors referenced in Section II.E.1 above. The cost of this Change Order will be taken out of the Time & Material Work Allowances given in Exhibit H of the EPC Contract.

2. EPC Contract Amendment #1 is being processed to revise the language in several areas of the EPC Contract. These revisions represent updates to the EPC Contract, such as contract language clarifications in the sections relating to Changes in the Work and Taxes, changes made to the Major Equipment Supplier and Contractor exhibits and changes in the milestone payment schedules due to the PMB Schedule received on April 1, 2009.

### **III. Anticipated Construction Schedules**

As of the end of the first quarter of 2009, the Company and its contractors had completed all required milestones as set forth in Exhibit E to the Combined Application as adjusted pursuant to the milestone schedule contingencies approved by the Commission in Order No. 2009-104A. Each of those adjustments is itemized in the Milestone Update section that follows. The Company and its contractors are presently on schedule to complete all future milestones as specified or within approved contingencies. Accordingly, the project is in compliance with the construction schedules approved by the Commission in Order No. 2009-104A and with the provisions of S.C. Code Ann. § 58-33-275(A)(1).

To allow milestones to be tracked more consistently to the construction schedule, SCE&G has subdivided certain of the milestones approved in Order No. 2009-104A into several discrete items. The 123 milestones approved in that order are now being tracked as 146 milestones. No milestones have been omitted, and in each case, where a milestone was divided, the resulting milestones bear a due date no later than the due date of the milestone from which they were derived.

## **A. Construction Schedule Update**

The Project Licensing and Permitting, Engineering, Procurement and Construction work remains on schedule to meet the Units 2 & 3 Substantial Completion dates. Rescheduling of the milestones listed in Exhibit E to the Combined Application is addressed in Section III.B herein. The rescheduling of these milestones is within the approved contingencies and has no adverse impact on the Units' Substantial Completion dates.

## **B. Performance Measurement Baseline Schedule**

On April 1, 2009, the Consortium provided SCE&G with the Performance Measurement Baseline Schedule for the project under the EPC Contract. The Performance Measurement Baseline Schedule is the integrated engineering, procurement and construction schedule for the project and represents a major refinement of the schedule that was provided as an attachment to the EPC Contract in May of 2008.

Of the 146 total milestones, 28 have been completed, 44 have been accelerated, 41 have been pushed out into the future, and 33 are unchanged, .

The Performance Measurement Baseline Schedule is the product of thousands of hours of construction planning and scheduling work by Consortium personnel since the EPC Contract was signed on May 23, 2008. The schedule also reflects a firming up of the vendor and supplier chain for the project and the negotiation of multiple supply agreements and delivery schedules with vendors and fabricators.

Where the Performance Measurement Baseline Schedule has pushed out the due dates for certain milestones, these later deadlines reflect the fact that greater certainty in the schedule allows for more precise scheduling of the dates by which major pieces of equipment will be required to be available on site. The revised deadlines also reflect the fact that a more fully-developed schedule allows more precise scheduling of the dates by which specific on-site construction activities will need to be completed. The project team has added additional certainty and detail to the construction schedule since the EPC Contract was signed on May 23, 2008 and revised milestones are possible for that reason.

Like the schedules contained in the EPC Contract, the new Performance Measurement Baseline Schedule fully supports the Substantial Completion dates for Units 2 and 3 of April 1, 2016 and January 1, 2019, respectively. The updated milestones dates based on the Performance Measurement Baseline Schedule are entirely consistent with the project milestones and contingencies adopted by the Commission in Order No. 2009-104A. The Substantial Completion dates remain as approved in Order No. 2009-104A. As discussed above, the Consortium and SCE&G remain fully committed to completing the Units on the dates promised and the Performance Measurement Baseline Schedule is an important tool for ensuring that this is done.

### **C. Milestone Update**

1. Attached as **Appendix 1** to this quarterly report are two spreadsheets that list and update each of the specific milestones contained in Exhibit E to the Combined Application and adopted by the Commission as the anticipated construction schedule for the Units pursuant to S.C. Code Ann. § 58-33-270(B)(1). The BLRA Milestone Tracking Sheet (**Appendix 1, Chart A**) provides the original milestone date and language, the revised milestone date and language, and the impact on the BLRA schedule contingency and Substantial Completion dates for Units 2 and 3. The BLRA Milestone Tracking Summary (**Appendix 1, Chart B**) highlights the milestones that have been moved from the originally targeted date and gives an explanation for this movement.
2. Exhibit E of the Combined Application contained the original list of milestones as approved by the Commission. It included a total of 123 milestones. As discussed above, several of these milestones have been revised into multiple milestones to reflect the way in which contracts negotiated with equipment suppliers subsequent to the Combined Application submittal were structured and included in the construction schedule for the project. The revised milestone total is 146. As shown on the BLRA Tracking Summary, a number of the milestones have moved out in time primarily to reflect the new schedule contained in the Performance Measurement Baseline Schedule received on April 1, 2009. All resulting milestone adjustments are within the scope of the milestone schedule contingency authorized by the Commission in Order No. 2009-104A. The milestone adjustments do not adversely affect the Substantial Completion dates for Units 2 and 3.

### **IV. Schedules of the Capital Costs Incurred Including Updates to the Information Required by S.C. Code Ann. § 58-33-270(B)(6) (The Inflation Indices)**

The Capital Cost Update section of this report provides an update of the cumulative capital costs incurred and forecasted to be incurred as compared to the cumulative capital cost targets approved by the Commission in Order No. 2009-104A. The approved capital cost targets have been adjusted to reflect the escalation rate changes, and any use by the Company of the cost and timing contingencies that were approved by the Commission in Order No. 2009-104A. The Inflation Adjustments and Indices section of this report provides updated information on inflation indices and the changes in them.



## A. Capital Costs Update

When adjusted for inflation, the year-end 2009 Cumulative Project Cash Flow as approved in Order No. 2009-104A was \$663 million. During calendar year 2009, SCE&G anticipates incurring capital costs for the project amounting to \$389 million. This amount reflects actual expenditures to date and forecasted expenditures for the balance of 2009 based on the milestone and construction schedule. This anticipated capital cost of \$389 million for 2009 provides for the expenditure of \$38 million in contingency funds if necessary, but none of these contingency funds has been expended or committed to be spent to date. As a result, if the actual expenditures track the current forecast, \$38 million in contingency funds will be available for use in 2010 or beyond.

The anticipated expenditure of \$389 million for the project in 2009 would result in a year-end 2009 cumulative project cash flow, exclusive of AFUDC, of \$512 million. This amount is \$151 million less than the Cumulative Project Cash Flow approved by the Commission for year-end 2009 as adjusted for inflation. This \$151 million reduction in anticipated 2009 project expense represents timing differences and not changes in underlying costs. The Company forecasts that the capital costs in question will be incurred in future periods under the current construction schedule.

**Chart A of Appendix 4** shows the Cumulative Project Cash Flow target as approved in Order No. 2009-104A and as updated for escalation and other Commission approved adjustments under the heading **“Per Order 2009-104A Adjusted.”** As shown there, SCE&G has carried forward into 2009 \$10 million in unused contingency funds from 2008 as permitted by the Commission in Order No. 2009-104A. SCE&G has not used the capital cost schedule contingencies to make any adjustments to the approved Cumulative Project Cash Flow as set forth in this filing because the project conforms to approved project cost targets without such adjustments. Nonetheless, SCE&G does not intend to waive or in any way limit its right, as authorized by the Commission, to make appropriate capital cost contingency adjustments associated with current or future changes in cost scheduling. SCE&G may make capital cost contingency adjustments related to recent changes in its scheduling of capital costs in future filings.

Under the heading **“Actual Through March, 2009, plus Projected, Appendix 4, Chart A,** shows the cumulative cash flow for the project based on actual expenditures to date and the Company’s current forecast of cost and construction schedule” A comparison of the two sets of data is presented at **Appendix 4, Chart B.** This chart shows that the cumulative capital cost for the project is forecasted to be below the approved Cumulative Project Cash Flow target, as revised, during the years 2009-2014. The forecasted cash flow, on a cumulative basis, is anticipated to exceed the approved target level by \$36 million in 2015, and \$207 million in 2016, \$147 million in 2017, and \$118 million in 2018. These overages are calculated before the application of contingency funds and are due to the timing of capital expenditures as currently

forecasted, not increases in underlying costs. As shown on **Appendix 4, Chart C**, SCE&G forecasts using \$36 million in contingency funds in 2015 and \$172 million of contingency funds in 2016 to offset these overages. SCE&G forecasts that it will have more than adequate contingency funds in these years to absorb the full amount of the overages and will retain substantial contingency funds for other uses. In addition, SCE&G forecasts that it will have budget surpluses sufficient to restore \$60 million to the contingency in 2017 and \$29 million in 2018. As a result, SCE&G forecasts that it will have \$320 million in uncommitted contingency funds at the end of the project.

The information presented in **Appendix 4** establishes that the anticipated cumulative project cash flow for the period ending December 31, 2009 is in conformity with the schedule approved by the Commission in Order No. 2009-104A and with the provisions of S.C. Code Ann. § 58-33-275(A)(1). It also establishes that the Company's best forecasts of future project costs are fully consistent with the Cumulative Project Cash Flows approved by the Commission in Order No. 2009-104A.

The following exhibits support this section:

**Appendix 2** updates the original Exhibit F to the Combined Application to show the Company's actual and forecasted expenditures on the project by plant cost category. In updating its cost projections, the Company has used the Commission-approved inflation indices as updated since Exhibit F to the Combined Application was originally prepared and its current cost and schedule information. In addition, **Appendix 2** shows the cumulative Construction Work in Progress for the project and the balance of Construction Work in Progress that is not yet reflected in revised rates.

For comparison purposes, **Appendix 3** provides an original version of Exhibit F to the Combined Application. This version of Exhibit F does not include any adjustments for changes in inflation indices or adjustments in capital cost schedules made by the Company.

As discussed above, **Appendix 4, Chart A** provides the adjusted Cumulative Cash Flow target and the current actual and forecasted cash flow for the project. **Appendix 4, Chart B** compares the adjusted Cumulative Cash Flow target to the Company's actual and forecast costs for the project. **Appendix 4, Chart C** provides detailing concerning the cumulative pool of contingency funds and use of those funds year by year.

## **B. Inflation Indices Update**

**Appendix 5** shows the changes in the inflation indices approved in Order No. 2009-104A. Included is a ten-year history of the Handy Whitman All Steam Index, South Atlantic Region; the Handy Whitman All Steam and Nuclear Index, South Atlantic Region; Handy Whitman All Transmission Plant Index, South Atlantic Region; and the Chained GDP Index. The changes in these indices and the escalation-related effects of cost rescheduling resulted in an increase in the projected cost of the Units in future dollars from \$6,313,376,000 as forecast in Order No. 2009-104A to a forecast of \$6,875,316,000 using current inflation data and current AFUDC rates. The \$4.5 billion forecast of the cost of the Units in 2007 dollars, net of AFUDC, remains unchanged.

## **V. Updated Schedule of Anticipated Capital Costs**

The updated schedule of anticipated capital costs for Units 2 & 3 is reflected in **Appendix 2**. Further details as to the changes in these anticipated capital cost components are set forth in **Appendix 4**.

## **VI. Conclusion**

As indicated above, the project is proceeding in compliance with the cost and schedule forecasts approved by the Commission in Order No. 2009-104A. The scheduled completion dates for Units 2 & 3 remain April 1, 2016 and January 1, 2019, respectively. The Units are on track to be completed within the projected cost of \$4.5 billion in 2007 dollars net of AFUDC. The Company maintains an extensive staff of experts that monitors and oversees the work of its contractors and has identified and continues to monitor closely all areas of concerns related to either cost or schedule for the project. The Company will continue to update the Commission and ORS of progress and concerns as the project proceeds.

## **APPENDIX 1**

### **V. C. Summer Nuclear Station Units 2 & 3**

#### **Quarterly Report to the South Carolina Office of Regulatory Staff Submitted by South Carolina Electric & Gas Company Pursuant to Public Service Commission Order No. 2009-104A**

#### **Quarter Ending March 31, 2009**

**Appendix 1, Chart A** lists and updates each of the milestones contained in Exhibit E to the Combined Application (Hearing Exhibit 2, SAB-5) which the Commission adopted as the Approved Construction Schedule for the Units, pursuant to S.C. Code Ann. § 58-33-270(B)(1). **Appendix 1, Chart A** provides columns with the following information:

1. The original milestone date by year and quarter as approved by the Commission in Order 2009-104A.
2. The description of the milestone as originally provided in Exhibit E to the Combined Application (Hearing Exhibit 2, SAB-5).
3. An updated statement of how the milestone is described in the current project schedule.
4. The revised milestone date by year and quarter where milestones have been adjusted since they were approved in Order No. 2009-104A.
5. Information as to whether any milestone has been shifted outside of the 18/24 Month Contingency approved by the Commission.
6. Information as to whether any current change in this milestone is anticipated to impact the substantial completion date.
7. For completed milestones, the date by which it was completed. For completed milestones, this column entry is shaded.
8. Notes as to individual milestones and milestone adjustments, which include references, where necessary, to additional information concerning certain milestones provided in **Appendix 1, Chart B**.

**Appendix 1, Chart B** lists each milestone that has been shifted and gives the number of months by which it is shifted.

Appendix A, Chart A  
VC Summer Units 2 and 3

Original Year	Original Quarter	Milestone (BLRA Exhibit E)	Updated Milestone	Remedial Action	Revised Year/Quarter	Contingency	Sustained Completion	Date Impact	Completion Date	Notes
2008	2	08-2Q-1 Approve Engineering, Procurement and Construction Agreement	N/A	N/A	N/A	No	No		5/23/2008	
2008	2	08-2Q-2 Issue Purchase Orders to nuclear component fabricators for Units 2 and 3 Containment Vessels, Passive Residual Heat Removal Heat Exchangers, Accumulator Tanks, Core Makeup Tanks, Squib Valves, Steam Generators, Reactor Coolant Pumps, Pressurizer Vessels, Reactor Coolant Loop Hot Leg A Piping, Reactor Vessel Internals, Reactor Vessels, Reactor Integrated Head Packages, Control Rod Drive Mechanisms and Nuclear Island structural CA20 Modules	Issue P.O.'s to nuclear component fabricators for Units 2 and 3 Containment Vessels Contractor Issue PO to Passive Residual Heat Removal Heat Exchanger Fabricator - First Payment - Unit 2 Contractor Issue PO to Accumulator Tank Fabricator - Unit 2 Contractor Issue PO to Core Makeup Tank Fabricator - Units 2 & 3 Contractor Issue PO to Squib Valve Fabricator - Units 2 & 3 Contractor Issue PO to Steam Generator Fabricator - Units 2 & 3 Contractor Issue Long Lead Material PO to Reactor Coolant Pump Fabricator - Units 2 & 3 Contractor Issue PO to Pressurizer Fabricator - Units 2 & 3 Contractor Issue PO to Reactor Coolant Loop Pipe Fabricator - First Payment - Units 2 & 3	08-4Q 08-3Q 08-3Q 08-3Q 09-1Q 08-2Q 08-2Q 08-3Q 08-2Q	No No No No No No No No No	No No No No No No No No No	12/3/2008 8/31/2008 7/31/2008 9/30/2008 3/31/2009 6/30/2008 6/30/2008 8/31/2008 6/30/2008			

Appendix A, Chart A  
VC Summer Units 2 and 3

Original Year	Original Quarter	Milestone (BLRA Exhibit)	Updated Milestone Technology	Revised Lead/Quarter	Outside 8-24 Month	Contingency	Sustained Completion	Date Impact	Completion Date	Notes
008	3	08-3Q-1 Start Site Specific and balance of plant detailed design	Reactor Vessel Internals - Issue Long Lead Material PO to Fabricator - Units 2 and 3	08-4Q	No	No	No		11/21/2008	
008	3	08-3Q-2 Issue PO and submit payment to fabricator via Westinghouse for Units 2 and 3 Simulators	Contractor Issue Long Lead Material PO to Reactor Vessel Fabricator - Units 2 & 3	08-2Q	No	No	No		6/30/2008	
008	3	08-3Q-3 Issue final PO's and submit payments to fabricators via Westinghouse for Units 2 and 3 Steam Generators, Reactor Vessel Internals and Reactor Vessels.	Contractor Issue PO to Integrated Head Package Fabricator - Units 2 & 3	09-3Q	No	No	No			
			Control Rod Drive Mechanism Issue PO for Long Lead Material to Fabricator - Units 2 and 3 - first payment	08-2Q	No	No	No		6/21/2008	
			Issue P.O.'s to nuclear component fabricators for Nuclear Island structural CA20 Modules	09-3Q	No	No	No			
			N/A	08-2Q	No	No	No		6/23/2008	
			Instrumentation & Control Simulator - Contractor Place Notice to Proceed - Units 2 & 3	08-4Q	No	No	No		10/31/2008	
			Steam Generator - Issue Final PO to Fabricator for Units 2 and 3	08-2Q	No	No	No		6/30/2008	
			RVI - Contractor Issue PO for Long Lead Material (Heavy Plate and Heavy Forgings) to Fabricator - Units 2 & 3	10-1Q	No	No	No			

Appendix A, Chart A  
VC Summer Units 2 and 3

Original Year	Original Quarter	BLRA Exhibit	Updated Milestone	Terminology	Revised Year/Quarter	Outside 18-24 Month Contingency	Sustained Completion	Date Impact	Completion Date	Notes
008	3	08-3Q-4 Issue PO and submit payment via Westinghouse to fabricator for Units 2 and 3 Transformers.	Contractor Issue Final PO to Reactor Vessel Fabricator - Units 2 & 3	N/A	No	No	No	9/30/2008		
008	4	08-4Q-1 Start clearing, grubbing and grading	Variable Frequency Drive Fabricator Issue Transformer PO - Units 2 & 3	09-2Q	No	No	No	1/26/2009		
008	4	08-4Q-2 Issue final Purchase Orders and submit payments to fabricators via Westinghouse for Units 2 and 3 Core Makeup Tanks, Accumulator Tanks, Pressurizers, Reactor Coolant Loop Piping, Integrated Head Packages, Control Rod Drive Mechanisms and Passive Residual Heat Removal Heat Exchangers	Core Makeup Tank Fabricator Issue Long Lead Material PO - Units 2 & 3	N/A	No	No	No	10/31/2008		
			Accumulator Tank Fabricator Issue Long Lead Material PO - Units 2 & 3	N/A	No	No	No	10/31/2008		
			Pressurizer Fabricator Issue Long Lead Material PO - Units 2 & 3	N/A	No	No	No	10/31/2008		
			Reactor Coolant Loop Pipe - Contractor Issue PO to Fabricator - Second Payment - Units 2 & 3	09-2Q	No	No	No			

Appendix A, Chart A  
VC Summer Units 2 and 3

Original Year	Original Quarter	Milestone (BLRA Exhibit E)	Updated Milestone Terminology	Revised Year/Quarter	Outside - 18/24 Month Contingency	Sustained Completion Date Impact	Completion Date	Notes
2009	1	09-1Q-1 Start Parr Road intersection work.	Integrated Head Package - Issue PO to Fabricator - Units 2 and 3 - second payment	09-3Q	No	No		
2009	1	09-1Q-2 Issue final Purchase Order and submit payment via Westinghouse to fabricator for Units 2 and 3 Reactor Coolant Pumps	Control Rod Drive Mechanisms - Contractor Issue PO for Long Lead Material to Fabricator - Units 2 & 3	08-2Q	No	No	6/30/2008	
2009	1	09-1Q-3 Issue Purchase Order for Long Lead Material and submit payment via Westinghouse to fabricator for Units 2 and 3 Integrated Heat Packages	Contractor Issue PO to Passive Residual Heat Removal Heat Exchanger Fabricator - Second Payment - Units 2 & 3	N/A	No	No	10/31/2008	
2009	1	09-1Q-4 Submit partial payment to Westinghouse for Design Finalization	N/A	09-1Q	No	No	2/16/2009	
2009	2	09-2Q-1 Start site development	Reactor Coolant Pump - Issue Final PO to Fabricator - Units 2 and 3	08-2Q	No	No	6/30/2008	
2009	1	09-1Q-1 Start Parr Road intersection work.	Integrated Heat Packages Fabricator Issue Long Lead Material PO - Units 2 & 3	09-4Q	No	No		
2009	1	09-1Q-2 Issue final Purchase Order and submit payment via Westinghouse to fabricator for Units 2 and 3 Reactor Coolant Pumps	Design Finalization Payment 3	N/A	No	No	1/31/2009	
2009	2	09-2Q-1 Start site development	N/A	08-2Q	No	No	6/23/2008	



Appendix A, Chart A  
VC Summer Units 2 and 3

Original Year	Original Quarter	Milestone (BLRA Exhibit)	Updated Milestone Technology	Key Seasonal Quarter	Outside - 18-24 Month Contingency	Sustained Completion Date Impact	Completion Date	Notes
2009	2	09-2Q-2 Issue Purchase Orders and submit payments via Westinghouse for Units 2 and 3 Turbine/Generators and Main Transformers	Contractor Issue PO to Turbine Generator Fabricator - Units 2 & 3	09-1Q	No	No	2/17/2009	
			Contractor Issue PO to Main Transformers Fabricator - Units 2 & 3	09-3Q	No	No		
2009	2	09-2Q-3 Receive Units 2 and 3 Core Makeup Tank material at fabricator	Core Makeup Tank Fabricator Notice to Contractor Receipt of Long Lead Material - Units 2 & 3	10-4Q	No	No		
2009	2	09-2Q-4 Submit partial payment to Westinghouse for Design Finalization	Design Finalization Payment 4	N/A	No	No		
2009	3	09-3Q-1 Issue Purchase Order and submit payment via Westinghouse for Unit 2 Turbine Generator Condenser material	Turbine Generator Fabricator Issue PO for Condenser Material - Unit 2	N/A	No	No		
2009	3	09-3Q-2 Submit payments to fabricators via Westinghouse for Units 2 and 3 Reactor Coolant Pumps and Passive Residual Heat Removal Heat Exchangers	Reactor Coolant Pump Fabricator Issue Long Lead Material Lot 2 - Units 2 & 3	09-2Q	No	No		
			Passive Residual Heat Removal Heat Exchanger Fabricator Receipt of Long Lead Material - Units 2 & 3	10-2Q	No	No		
2009	3	09-3Q-3 Submit partial payment to Westinghouse for Design Finalization	Design Finalization Payment 5	N/A	No	No		

Appendix A, Chart A  
VC Summer Units 2 and 3

Original Quarter	Milestone (BLRA Exhibit)	Updated Milestone Technology	Revised Year/Quarter	Outside 4/19-22/2020	Contingency	Sustained Completion	Date Impact	Completion Date	Notes
009	4	09-4Q-1 Start erection of construction buildings, to include craft facilities for personnel, tools, equipment; first aid facilities; field offices for site management and support personnel; temporary warehouses; and construction hiring office.	N/A	09-3Q	No	No			
009	4	09-4Q-2 Receive Unit 2 Reactor Vessel flange nozzle shell forging at fabricator	Reactor Vessel Fabricator Notice to Contractor of Receipt of Flange Nozzle Shell Forging - Unit 2	09-3Q	No	No			
009	4	09-4Q-3 Submit partial payment to Westinghouse for Design Finalization	Design Finalization Payment 6	N/A	No	No			
009	4	09-4Q-4 Issue Purchase Order and submit payment via Westinghouse to fabricator for Units 2 and 3 Radiation Monitoring Systems	Instrumentation and Control /Simulator - Contractor Issue PO to Subcontractor for Rad Monitor Sys - Units 2 & 3	N/A	No	No			
010	1	10-1Q-1 Receive Unit 2 Reactor Vessel Internals core shroud material at the fabricator	Reactor Vessel Internals - Fabricator Start Fit and Welding of Core Shroud Assembly - Unit 2	11-2Q	No	No			
010	1	10-1Q-2 Payment to fabricator via Westinghouse for Unit 2 Turbine/Generator Feedwater Heater material	Turbine Generator Fabricator Issue PO for Moisture Separator Reheater/Feedwater Heater Material - Unit 2	10-2Q	No	No			
010	1	10-1Q-3 Receive raw material at fabricator for Unit 2 Reactor Coolant Loop piping	Reactor Coolant Loop Pipe Fabricator Acceptance of Raw Material - Unit 2	10-2Q	No	No			
010	2	10-2Q-1 Receive Unit 2 Reactor Vessel Internals upper guide tube Material at the fabricator	Reactor Vessel Internals - Fabricator Start Weld Neutron Shield Spacer Pads to Assembly - Unit 2	11-4Q	No	No			

Appendix 1, Chart A  
VC Summer Units 2 and 3

Original Item	Original Quarter	(BLRA Exhibit)	Updated Milestone Technology	Revised Calendar	Outside - 8-24 Month Contingency	Sustained Completion	Date Impact	Completion Date	Notes
010	2	10-2Q-2 Submit payment to Westinghouse for the Unit 2 Control Rod Drive Mechanisms	Control Rod Drive Mechanisms - Fabricator to Start Procurement of Long Lead Material - Unit 2	09-2Q	No	No			
010	2	10-2Q-3 Perform cladding on Unit 2 Pressurizer bottom head at fabricator	Contractor Notified that Pressurizer Fabricator Performed Cladding on Bottom Head - Unit 2	10-4Q	No	No			
010	3	10-3Q-1 Start excavation and foundation work for the standard plant for Unit 2	N/A	10-1Q	No	No			
010	3	10-3Q-2 Receive Unit 2 Steam Generator tube sheet forging at the fabricator	Steam Generator Fabricator Notice to Contractor of Receipt of 2nd Steam Generator Tubesheet Forging - Unit 2	10-1Q	No	No			
010	3	10-3Q-3 Complete Unit 2 Reactor Vessel outlet nozzle weld to flange at the fabricator	Reactor Vessel Fabricator Notice to Contractor of Outlet Nozzle Welding to Flange Nozzle Shell Completion - Unit 2	10-1Q	No	No			
010	3	10-3Q-4 Start Unit 2 Condenser fabrication at the fabricator	Turbine Generator Fabricator Notice to Contractor Condenser Fabrication Started - Unit 2	10-2Q	No	No			
010	4	10-4Q-1 Complete preparations for receiving the first module on site for Unit 2.	N/A	10-3Q	No	No			
010	4	10-4Q-2 Receive Unit 2 Steam Generator transition cone forging at the fabricator	Steam Generator Fabricator Notice to Contractor of Receipt of 1st Steam Generator Transition Cone Forging - Unit 2	10-2Q	No	No			
010	4	10-4Q-3 Complete Unit 2 Reactor Coolant Pump casing fabrication	Reactor Coolant Pump Fabricator Notice to Contractor of Manufacturing of Casing Completion - Unit 2	N/A	No	No			

Appendix 1, Chart A  
VC Summer Units 2 and 3

	Original Quarter	Milestone (BLRA Exhibit)	Updated Milestone Terminology	Revised Year/Quarter	Outside 10-24 Month Contingency	Sustained Completion Date Impact	Completion Date	Notes
10	4	10-4Q-4 Complete machining, heat treatment and Nondestructive examination of Unit 2 Reactor Coolant Loop Hot Leg A piping at the fabricator	Reactor Coolant Loop Pipe Fabricator Notice to Contractor of Machining, Heat Treating & Non-Destructive Testing Completion - Unit 2	N/A	No	No		
11	1	11-1Q-1 Complete Unit hydrotests for Core Makeup Tanks	Core Makeup Tank Fabricator Notice to Contractor of Satisfactory Completion of Hydrotest - Unit 2	11-2Q	No	No		
11	1	11-1Q-2 Issue Purchase Order and submit payment via Westinghouse to fabricator for Units 2 and 3 Polar Crane main hoist drums and wire rope.	Polar Crane Fabricator Issue PO for Main Hoist Drum and Wire Rope - Units 2 & 3	N/A	No	No		
11	2	11-2Q-1 Receive Unit 3 Control Rod Drive Mechanism latch housing/rod travel housing material at the fabricator	Control Rod Drive Mechanisms - Fabricator to Start Procurement of Long Lead Material - Unit 3	11-2Q	No	No		
11	2	11-2Q-2 Complete Unit 2 Condenser shipment preparation at the fabricator	Turbine Generator Fabricator Notice to Contractor Condenser Ready to Ship - Unit 2	11-4Q	No	No		
11	3	11-3Q-1 Start placement of mud mat for Unit 2	N/A	N/A	No	No		
11	3	11-3Q-2 Receive Unit 2 Steam Generator tubing at the fabricator	Steam Generator Fabricator Notice to Contractor of Receipt of 1st Steam Generator Tubing - Unit 2	11-1Q	No	No		
11	3	11-3Q-3 Complete upper head welding on Unit 2 Pressurizer at the fabricator	Pressurizer Fabricator Notice to Contractor of Welding of Upper and Intermediate Shells Completion - Unit 2	10-4Q	No	No		
11	3	11-3Q-4 Complete Unit 3 Reactor Vessel closure head cladding at the fabricator	Reactor Vessel Fabricator Notice to Contractor of Closure Head Cladding Completion - Unit 3	12-1Q	No	No		

Appendix 1, Chart A  
VC Summer Units 2 and 3

Original Quarter	Milestone (BLRA Exhibit)	Updated Milestone Technology	Revised Year/Quarter	Outside 18-2 Month Contingency	Sustainable Completion Date Impact	Completion Date	Notes
011	4	11-4Q-1 Begin Unit 2 first nuclear concrete placement	N/A	No	No		
011	4	11-4Q-2 Complete fabrication of Unit 2 Reactor Coolant Pump stator core at the fabricator	11-3Q	No	No		
011	4	11-4Q-3 Begin Unit 2 Reactor Vessel Internals welding of core shroud panel ring at the fabricator	11-2Q	No	No		
011	4	11-4Q-4 Complete 1st Unit 2 Steam Generator tubing installation at the fabricator	11-2Q	No	No		
011	4	11-4Q-5 Ship Unit 2 Reactor Coolant Loop pipe to site	12-4Q	No	No		
011	4	11-4Q-6 Ship Unit 2 Control Rod Drive Mechanism to site.	11-4Q	No	No		
011	4	11-4Q-7 Complete weld for Unit 2 Pressurizer lower shell to head at the fabricator	10-4Q	No	No		
011	4	11-4Q-8 Complete 2nd Steam Generator tubing installation for Unit 3 at the fabricator	11-2Q	No	No		
011	4	11-4Q-9 Submit partial payment to Westinghouse for Design Finalization	N/A	No	No		

Appendix 1, Chart A  
VC Summer Units 2 and 3

Original Quarter	BLRA Exhibit	Updated Milestone	Technology	Revised Year/Quarter	Outside - 18-24 Month Contingency	Sustained Completion	Completion Date	Notes
012	1	12-1Q-1 Set module CA04 for Unit 2	N/A	11-4Q	No	No		
012	1	12-1Q-2 Complete post weld heat treat of 2nd tubesheet for Unit 2 Passive Residual Heat Removal Heat Exchanger	Passive Residual Heat Removal Heat Exchanger Fabricator Notice to Contractor of Final Post Weld Heat Treatment - Unit 2	10-2Q	No	No		
012	1	12-1Q-3 Complete 1st tubesheet drilling for Unit 2 Passive Residual Heat Removal Heat Exchanger	Passive Residual Heat Removal Heat Exchanger Fabricator Notice to Contractor of Completion of Tubing - Unit 2	11-1Q	No	No		
012	1	12-1Q-4 Complete girder fabrication for Unit 2 Polar Crane	Polar Crane Fabricator Notice to Contractor of Girder Fabrication Completion - Unit 2	N/A	No	No		
012	1	12-1Q-5 Complete preparations for Unit 3 Turbine Generator Condenser shipment	Turbine Generator Fabricator Notice to Contractor Condenser Ready to Ship - Unit 3	13-3Q	No	No		
012	2	12-2Q-1 Set Containment Vessel ring #1 for Unit 2	N/A	N/A	No	No		
012	2	12-2Q-2 Deliver Unit 2 Reactor Coolant Pump casings to the site	Reactor Coolant Pump Fabricator Delivery of Casings to Port of Export - Unit 2	12-1Q	No	No		
012	2	12-2Q-3 Complete Unit 3 Reactor Coolant Pump stator core	Reactor Coolant Pump Fabricator Notice to Contractor of Stator Core Completion - Unit 3	13-3Q	No	No		
012	2	12-2Q-4 Receive core shell forging for Unit 3 Reactor Vessel	Reactor Vessel Fabricator Notice to Contractor of Receipt of Core Shell Forging - Unit 3	12-3Q	No	No		

Appendix A, Chart A  
VC Summer Units 2 and 3

Original Quarter	Milestone (BLRA-Exhibit E)	Update Milestone Terminology	Revised Year/Quarter	Outside 4-10-24 Month Contingency	Sustained Completion Date Impact	Completion Date	Notes
012	2	12-2Q-5 Complete Unit 3 Pressurizer cladding on bottom head	Contractor Notified that Pressurizer Fabricator Performed Cladding on Bottom Head - Unit 3	13-1Q	No		
012	3	12-3Q-1 Set Nuclear Island structural module CA03 for Unit 2	N/A	N/A	No		
012	3	12-3Q-2 Complete 1st Unit Squib Valve factory operational test	Squib Valve Fabricator Notice to Contractor of Completion of Assembly and Test for Squib Valve Hardware - Unit 2	12-2Q	No		
012	3	12-3Q-3 Complete Unit 3 Accumulator Tank hydrotest	Accumulator Tank Fabricator Notice to Contractor of Satisfactory Completion of Hydrotest - Unit 3	12-4Q	No		
012	3	12-3Q-4 Complete electrical panel assembly for Unit 2 Polar Crane	Polar Crane Fabricator Notice to Contractor of Electric Panel Assembly Completion - Unit 2	N/A	No		
012	4	12-4Q-1 Start containment large bore pipe supports for Unit 2	N/A	12-2Q	No		
012	4	12-4Q-2 Ship Unit 2 Reactor Integrated Head Package to site from fabricator	Integrated Head Package - Shipment of Equipment to Site - Unit 2	N/A	No		
012	4	12-4Q-3 Complete Unit 2 Reactor Coolant Pump stator fabrication	Reactor Coolant Pump Fabricator Notice to Contractor of Final Stator Assembly Completion - Unit 2	N/A	No		
012	4	12-4Q-4 Complete 2nd Unit 3 Steam Generator tubing installation at fabricator	Steam Generator Fabricator Notice to Contractor of Completion of 2nd Steam Generator Tubing Installation - Unit 3	13-2Q	No		

Appendix A, Chart A  
VC Summer Units 2 and 3

Original Year	Original Quarter	Milestone (BLRA Exhibit E)	Updated Milestone Terminology	Revised Year/Quarter	Outside 18-24 Month Contingency	Sustained Completion Date Impact	Completion Date	Notes
2012	4	12-4Q-5 Complete 1st Unit 2 Steam Generator hydrotest at fabricator	Steam Generator Fabricator Notice to Contractor of Satisfactory Completion of 1st Steam Generator Hydrotest - Unit 2	12-2Q	No	No		
2013	1	13-1Q-1 Start concrete fill of Nuclear Island structural modules CA01 and CA02 for Unit 2	N/A	N/A	No	No		
2013	1	13-1Q-2 Ship Unit 2 Passive Residual Heat Removal Heat Exchanger to site from fabricator	Passive Residual Heat Removal Heat Exchanger - Delivery of Equipment to Port of Entry - Unit 2	12-2Q	No	No		
2013	1	13-1Q-3 Complete Unit 2 Refueling Machine Assembly factory acceptance test	Refueling Machine Fabricator Notice to Contractor of Satisfactory Completion of Factory Acceptance Test - Unit 2	N/A	No	No		
2013	1	13-1Q-4 Ship Unit 2 Reactor Vessel Internals to site from fabricator	Deliver Reactor Vessel Internals to Port of Export - Unit 2	13-3Q	No	No		
2013	2	13-2Q-1 Set Unit 2 Containment Vessel	N/A	13-2Q	No	No		
2013	2	13-2Q-2 Ship Unit 2 Steam Generator to site from fabricator	Steam Generator - Contractor Acceptance of Equipment at Port of Entry - Unit 2	13-1Q	No	No		
2013	2	13-2Q-3 Complete preparation for Unit 2 Turbine/Generator shipment from Toshiba fabrication facility	Turbine Generator Fabricator Notice to Contractor Turbine Generator Ready to Ship - Unit 2	N/A	No	No		
2013	2	13-2Q-4 Complete Unit 3 Pressurizer hydrotest at fabricator	Pressurizer Fabricator Notice to Contractor of Satisfactory Completion of Hydrotest - Unit 3	14-1Q	No	No		
2013	2	13-2Q-5 Ship Unit 2 Polar Crane to site	Polar Crane - Shipment of Equipment to Site - Unit 2	N/A	No	No		



Appendix 1, Chart A  
VC Summer Units 2 and 3

Original Quarter	Milestone (BLRA Exhibit)	Updated Milestone Terminology	Revised Year/Quarter	Guidance: 18-24 Month Contingency	Sustained Completion Date Impact	Completion Date	Notes
2013	2	13-2Q-6 Receive Unit 2 Reactor Vessel on site from fabricator	N/A	No	No		
2013	3	13-3Q-1 Set Unit 2 Reactor Vessel	N/A	No	No		
2013	3	13-3Q-2 Weld Unit 3 Steam Generator tubesheet to channel head	Steam Generator Fabricator Notice to Contractor of Completion of 2nd Channel Head to Tubesheet Assembly Welding - Unit 3	No	No		
2013	3	13-3Q-3 Complete Unit 3 Reactor Coolant Pump final stator assembly at fabricator	Reactor Coolant Pump Fabricator Notice to Contractor of Final Stator Assembly Completion - Unit 3	No	No		
2013	3	13-3Q-4 Ship Unit 2 Reactor Coolant Pumps to site from fabricator	Reactor Coolant Pump - Shipment of Equipment to Site (2 Reactor Coolant Pumps) - Unit 2	No	No		
2013	3	13-3Q-5 Place first nuclear concrete for Unit 3	N/A	No	No		
2013	4	13-4Q-1 Set Unit 2 Steam Generator	N/A	No	No		
2013	4	13-4Q-2 Preparations complete for shipment of Unit 2 Main Transformers	Main Transformers Ready to Ship - Unit 2	No	No		
2013	4	13-4Q-3 Complete Unit 3 Reactor Vessel Internals to site from fabricator	Reactor Vessel Internals - Fabricator Start Perform Guide Tubes Free Path Test - Unit 3	No	No		
2013	4	13-4Q-4 Set Unit 2 Containment Vessel Bottom Head on basemat legs	N/A	No	No		
2014	1	14-1Q-1 Set Unit 2 Pressurizer Vessel	N/A	No	No		

Appendix 1, Chart A  
VC Summer Units 2 and 3

Original Quarter	Milestone (BLRA Exhibit)	Updated Milestone Technology	Revised Year/Quarter	Outside - 18-24 Month Contingency	Sustained Completion Date/Impact	Completion Date	Notes
014	1	14-1Q-2 Complete Unit 3 Reactor Coolant Pump Factory Acceptance Test at fabricator	Reactor Coolant Pump Fabricator Notice to Contractor of Satisfactory Completion of Factory Acceptance Test - Unit 3	15-1Q	No	No	
014	1	14-1Q-3 Ship Unit 3 Reactor Vessel Internals to site from fabricator	Deliver Reactor Vessel Internals to Port of Export - Unit 3	15-2Q	No	No	
014	1	14-1Q-4 Issue Purchase Order and submit payment to fabricator via Westinghouse for Unit 3 Main Transformers	Main Transformers Fabricator Issue PO for Material - Unit 3	N/A	No	No	
014	2	14-2Q-1 Complete welding of Unit 2 Passive Residual Heat Removal System piping	N/A	14-1Q	No	No	
014	2	14-2Q-2 Ship Unit 3 Steam Generator to site from fabricator	Steam Generator - Contractor Acceptance of Equipment at Port of Entry - Unit 3	15-2Q	No	No	
014	2	14-2Q-3 Ship Unit 3 Refueling Maching Assembly to site	Refueling Mach - Shipment of Equipment to Site - Unit 3	N/A	No	No	
014	3	14-3Q-1 Set Unit 2 Polar Crane	N/A	14-2Q	No	No	
014	3	14-3Q-2 Ship Unit 3 Reactor Coolant Pumps to site from fabricator	Reactor Coolant Pumps - Shipment of Equipment to Site - Unit 3	15-2Q	No	No	
014	3	14-3Q-3 Complete shipment preparations for Unit 3 Main Transformers from fabricator	Main Transformers Ready to Ship - Unit 3	N/A	No	No	
014	4	14-4Q-1 Ship last Unit 3 Spent Fuel Storage Rack module to site	Spent Fuel Storage Rack - Shipment of Last Rack Module - Unit 3	N/A	No	No	
015	1	15-1Q-1 Start electrical cable pulling in Unit 2 Auxiliary Building	N/A	N/A	No	No	

	Original Quarter	Milestone (BLRA Exhibit)	Updated Milestone Technology	Revised Year/Quarter	Outcomes 18-24 Month Contingency	Sustained Completion Date Impact	Completion Date	Notes
15	1	15-1Q-2 Complete Unit 2 Reactor Coolant System cold hydro	N/A	15-3Q	No	No		
15	2	15-2Q-1 Activate class 1E DC power in Unit 2 Auxiliary Building	N/A	15-1Q	No	No		
15	3	15-3Q-1 Complete Unit 2 hot functional test.	N/A	N/A	No	No		
15	3	15-3Q-2 Install Unit 3 ring 3 for containment vessel	N/A	N/A	No	No		
15	4	15-4Q-1 Load Unit 2 nuclear fuel	N/A	N/A	No	No		
16	1	16-1Q-1 Unit 2 Substantial Completion	N/A	16-2Q	No	No		
16	2	16-2Q-1 Set Unit 3 Reactor Vessel	N/A	15-4Q	No	No		
16	3	16-3Q-1 Set Unit 3 Steam Generator #2	N/A	16-1Q	No	No		
16	4	16-4Q-1 Set Unit 3 Pressurizer Vessel	N/A	16-2Q	No	No		
17	1	17-1Q-1 Complete welding of Unit 3 Passive Residual Heat Removal System piping	N/A	16-2Q	No	No		
17	2	17-2Q-1 Set Unit 3 polar crane	N/A	16-3Q	No	No		
17	3	17-3Q-1 Start Unit 3 Shield Building roof slab rebar placement	N/A	17-1Q	No	No		
17	4	17-4Q-1 Start Unit 3 Auxiliary Building electrical cable pulling	N/A	17-2Q	No	No		
18	1	18-1Q-1 Activate Unit 3 Auxiliary Building class 1E DC power	N/A	17-2Q	No	No		

Original Quarter	Milestone (BLRA Exhibit)	Updated Milestone Technology	Revised Year/Quarter	Outside 18-24 Month Contingency	Sustained Completion Date Impact	Completion Date	Notes
18 2	18-2Q-1 Complete Unit 3 Reactor Coolant System cold hydro	N/A	18-1Q	No	No		
18 2	18-2Q-1 Complete Unit 3 hot functional test	N/A	18-1Q	No	No		
18 3	18-3Q-1 Complete Unit 3 nuclear fuel load	N/A	N/A	No	No		
18 4	18-4Q-1 Begin Unit 3 full power operation	N/A	19-1Q	No	No		
19 2	19-1Q-1 Unit 3 Substantial Completion	N/A	19-1Q	No	No		

Original Quarter	BLRA Exhibit E Milestone	Updated Milestone Terminology	Revised Year/Quarter	# of Months Delta (+/-)	Notes
08	08-2Q-2 Issue Purchase Orders to nuclear component fabricators for Units 2 and 3 Containment Vessels, Passive Residual Heat Removal Heat Exchangers, Accumulator Tanks, Core Makeup Tanks, Squib Valves, Steam Generators, Reactor Coolant Pumps, Pressurizer Vessels, Reactor Coolant Loop Hot Leg A Piping, Reactor Vessel Internals, Reactor Vessels, Reactor Integrated Head Packages, Control Rod Drive Mechanisms and Nuclear Island structural CA20 Modules	Issue P.O.'s to nuclear component fabricators for Nuclear Island structural CA20 Modules	09-3Q	(+) 15 Months	Note 1 - The initial Combined Application Exhibit E Milestone 08-2Q-2 was revised to include 14 individual milestones which are shown on the BLRA Milestone Tracking Sheet  Note 2 - The initial Combined Application Exhibit E Milestone 08-3Q-3 was revised to include 3 individual milestones which are shown on the BLRA Milestone Tracking Sheet  Note 3 - All milestones that remain open and that have a schedule change are listed on this BLRA Milestone Tracking Summary. The schedule change for these milestones is due to the realignment of the project schedule as a result of establishing the Performance Measurement Baseline Schedule. This schedule realignment is further addressed in Section III of this Combined Application Quarterly Report for the 1st quarter of 2009.
08	08-3Q-3 Issue final PO's and submit payments to fabricators via Westinghouse for Units 2 and 3 Steam Generators, Reactor Vessel Internals and Reactor Vessels.	Reactor Vessel Internals - Contractor Issue PO for Long Lead Material (Heavy Plate and Heavy Forgings) to Fabricator - Units 2 & 3	10-1Q	(+) 16 Months	
08	08-3Q-4 Issue PO and submit payment via Westinghouse to fabricator for Units 2 and 3 Transformers.	Variable Frequency Drive Fabricator Issue Transformer PO - Units 2 & 3	09-2Q	(+) 8 Months	

	Original Quarter	Milestone (BLRA Exhibit E)	Updated Milestone Terminology	Revised Year/Quarter	# of Months Delay (+/-)	Notes
08	4	8-4Q-2 Issue final Purchase Orders and submit payments to fabricators via Westinghouse for Units 2 and 3 Core Makeup Tanks, Accumulator Tanks, Pressurizers, Reactor Coolant Loop Piping, Integrated Head Packages, Control Rod Drive Mechanisms and Passive Residual Heat Removal Heat Exchangers	Reactor Coolant Loop Pipe - Contractor Issue PO to Fabricator - Second Payment - Units 2 & 3	09-2Q	(+) 6 Months	
			Integrated Head Package - Issue PO to Fabricator - Units 2 and 3 - second payment	09-3Q	(+) 9 Months	
09	1	09-1Q-3 Issue Purchase Order for Long Lead Material and submit payment via Westinghouse to fabricator for Units 2 and 3 Integrated Heat Packages	Integrated Heat Packages Fabricator Issue Long Lead Material PO - Units 2 & 3	09-4Q	(+) 9 Months	
09	2	09-2Q-2 Issue Purchase Orders and submit payments via Westinghouse for Units 2 and 3 Turbine/Generators and Main Transformers	Contractor Issue PO to Main Transformers Fabricator - Units 2 & 3	09-3Q	(+) 5 Months	
09	2	09-2Q-3 Receive Units 2 and 3 Core Makeup Tank material at fabricator	Core Makeup Tank Fabricator Notice to Contractor Receipt of Long Lead Material - Units 2 & 3	10-4Q	(+) 17 Months	
09	3	09-3Q-1 Issue Purchase Order and submit payment via Westinghouse for Unit 2 Turbine Generator Condenser material	Turbine Generator Fabricator Issue PO for Condenser Material - Unit 2	N/A	(-) 1 Month	

Appendix 1, Chart B  
VC Summer Units 2 and 3

Original Quarter	Milestone (BLRA Exhibit)	Updated Milestone Terminology	Revised Year/Quarter	# of Months Delta (+/-)	Notes
09	3	09-3Q-2 Submit payments to fabricators via Westinghouse for Units 2 and 3 Reactor Coolant Pumps and Passive Residual Heat Removal Heat Exchangers	09-2Q	(-) 4 Months	
09	4	09-4Q-1 Start erection of construction buildings, to include craft facilities for personnel, tools, equipment; first aid facilities; field offices for site management and support personnel; temporary warehouses; and construction hiring office.	10-2Q	(+) 9 Months	
09	4	09-4Q-2 Receive Unit 2 Reactor Vessel flange nozzle shell forging at fabricator	09-3Q	(-) 3 Months	
10	1	10-1Q-1 Receive Unit 2 Reactor Vessel Internals core shroud material at the fabricator	09-3Q	(-) 5 Months	
10	1	10-1Q-2 Payment to fabricator via Westinghouse for Unit 2 Turbine/Generator Feedwater Heater material	11-2Q	(+) 17 Months	
10	1	10-1Q-3 Receive raw material at fabricator for Unit 2 Reactor Coolant Loop piping	10-2Q	(+) 2 Months	
10	1	10-1Q-3 Receive raw material at fabricator for Unit 2 Reactor Coolant Loop piping	10-2Q	(+) 1 Month	

Appendix 1, Part B  
VC Summer Units 2 and 3

Original Quarter	Milestone (BLRA Exhibit)	Updated Milestone Terminology	Revised Start Quarter	Months Delta +/-	Notes
10 2	10-2Q-1 Receive Unit 2 Reactor Vessel Internals upper guide tube Material at the fabricator	Reactor Vessel Internals - Fabricator Start Weld Neutron Shield Spacer Pads to Assembly - Unit 2	11-4Q	(+) 17 Months	
10 2	10-2Q-2 Submit payment to Westinghouse for the Unit 2 Control Rod Drive Mechanisms	Control Rod Drive Mechanisms - Fabricator to Start Procurement of Long Lead Material - Unit 2	09-2Q	(-) 11 Months	
10 2	10-2Q-3 Perform cladding on Unit 2 Pressurizer bottom head at fabricator	Contractor Notified that Pressurizer Fabricator Performed Cladding on Bottom Head - Unit 2	10-4Q	(+) 6 Months	
10 3	10-3Q-1 Start excavation and foundation work for the standard plant for Unit 2	N/A	10-1Q	(+) 3 Months	
0 3	10-3Q-2 Receive Unit 2 Steam Generator tube sheet forging at the fabricator	Steam Generator Fabricator Notice to Contractor of Receipt of 2nd Steam Generator Tubesheet Forging Unit 2	10-1Q	(-) 6 Months	
0 3	10-3Q-3 Complete Unit 2 Reactor Vessel outlet nozzle weld to flange at the fabricator	Reactor Vessel Fabricator Notice to Contractor of Outlet Nozzle Welding to Flange Nozzle Shell Completion - Unit 2	10-1Q	(-) 6 Months	
0 3	10-3Q-4 Start Unit 2 Condenser fabrication at the fabricator	Turbine Generator Fabricator Notice to Contractor Condenser Fabrication Started - Unit 2	10-2Q	(-) 3 Months	
0 4	10-4Q-1 Complete preparations for receiving the first module on site for Unit 2.	N/A	10-3Q	(-) 3 Months	



Appendix 1, Chart B  
VC Summer Units 2 and 3

	Original Quarter	Milestone (BLRA Exhibit E)	Updated Milestone (Technology)	Revised Year/Quarter	Revised Date (Months - or +)	Notes
0	4	10-4Q-2 Receive Unit 2 Steam Generator transition cone forging at the fabricator	Steam Generator Fabricator Notice to Contractor of Receipt of 1st Steam Generator Transition Cone Forging - Unit 2	10-2Q	(-) 6 Months	
1	1	11-1Q-1 Complete Unit hydrotests for Core Makeup Tanks	Core Makeup Tank Fabricator Notice to Contractor of Satisfactory Completion of Hydrotest - Unit 2	11-2Q	(+) 3 Months	
1	2	11-2Q-1 Receive Unit 3 Control Rod Drive Mechanism latch housing/rod travel housing material at the fabricator	Control Rod Drive Mechanisms - Fabricator to Start Procurement of Long Lead Material - Unit 3	11-2Q	(+) 1 Month	
1	2	11-2Q-2 Complete Unit 2 Condenser shipment preparation at the fabricator	Turbine Generator Fabricator Notice to Contractor Condenser Ready to Ship - Unit 2	11-4Q	(+) 6 Months	
1	3	11-3Q-2 Receive Unit 2 Steam Generator tubing at the fabricator	Steam Generator Fabricator Notice to Contractor of Receipt of 1st Steam Generator Tubing - Unit 2	11-1Q	(-) 6 Months	
1	3	11-3Q-3 Complete upper head welding on Unit 2 Pressurizer at the fabricator	Pressurizer Fabricator Notice to Contractor of Welding of Upper and Intermediate Shells Completion - Unit 2	10-4Q	(-) 9 Months	
1	3	11-3Q-4 Complete Unit 3 Reactor Vessel closure head cladding at the fabricator	Reactor Vessel Fabricator Notice to Contractor of Closure Head Cladding Completion - Unit 3	12-1Q	(+) 5 Months	

Appendix 1, Chart B  
VC Summer Units 2 and 3

Original Quarter	Milestone (BLRA Exhibit)	Updated Milestone Technology	Revised Year/Quarter	# of Months Delta (+/-)	Notes
1 4	11-4Q-2 Complete fabrication of Unit 2 Reactor Coolant Pump stator core at the fabricator	Reactor Coolant Pump Fabricator Notice to Contractor of Stator Core Completion - Unit 2	11-3Q	(-) 1 Month	
1 4	11-4Q-3 Begin Unit 2 Reactor Vessel Internals welding of core shroud panel ring at the fabricator	Fabricator Start Fit and Welding of Core Shroud Assembly - Unit 2	11-2Q	(-) 4 Months	
1 4	11-4Q-4 Complete 1st Unit 2 Steam Generator tubing installation at the fabricator	Steam Generator Fabricator Notice to Contractor of Completion of 1st S/G Tubing Installation - Unit 2	11-2Q	(-) 6 Months	
1 4	11-4Q-5 Ship Unit 2 Reactor Coolant Loop pipe to site	Reactor Coolant Loop Pipe - Shipment of Equipment to Site - Unit 2	12-4Q	(+) 12 Months	
1 4	11-4Q-6 Ship Unit 2 Control Rod Drive Mechanism to site.	Control Rod Drive Mechanism - Ship Remainder of Equipment (Latch Assembly & Rod Travel Housing) to Head Supplier - Unit 2	11-4Q	(+) 1 Month	
1 4	11-4Q-7 Complete weld for Unit 2 Pressurizer lower shell to head at the fabricator	Pressurizer Fabricator Notice to Contractor of Welding of Upper and Intermediate Shells Completion - Unit 2	10-4Q	(-) 12 Months	
1 4	11-4Q-8 Complete 2nd Steam Generator tubing installation for Unit 3 at the fabricator	Steam Generator Fabricator Notice to Contractor of Completion of 2nd Steam Generator Tubing Installation - Unit 2	11-2Q	(-) 6 Months	
2 1	12-1Q-1 Set module CA04 for Unit 2	N/A	11-4Q	(-) 4 Months	

Appendix 1, Part B  
VC Summer Units 2 and 3

	Original Quarter	Milestone (BLRA Exhibit E)	Updated Milestone Technology	Revised Calendar Quarter	Months Delta from Months 09-1Q	Notes
2	1	12-1Q-2 Complete post weld heat treat of 2nd tubesheet for Unit 2 Passive Residual Heat Removal Heat Exchanger	Passive Residual Heat Removal Heat Exchanger Fabricator Notice to Contractor of Final Post Weld Heat Treatment - Unit 2	10-2Q	(-) 19 Months	
2	1	12-1Q-3 Complete 1st tubesheet drilling for Unit 2 Passive Residual Heat Removal Heat Exchanger	Passive Residual Heat Removal Heat Exchanger Fabricator Notice to Contractor of Completion of Tubing - Unit 2	11-1Q	(-) 13 Months	
2	1	12-1Q-5 Complete preparations for Unit 3 Turbine Generator Condenser shipment	Turbine Generator Fabricator Notice to Contractor Condenser Ready to Ship - Unit 3	13-3Q	(+) 17 Months	
2	2	12-2Q-2 Deliver Unit 2 Reactor Coolant Pump casings to the site	Reactor Coolant Pump Fabricator Delivery of Casings to Port of Export - Unit 2	12-1Q	(-) 1 Month	
2	2	12-2Q-3 Complete Unit 3 Reactor Coolant Pump stator core	Reactor Coolant Pump Fabricator Notice to Contractor of Stator Core Completion - Unit 3	13-3Q	(+) 13 Months	
2	2	12-2Q-4 Receive core shell forging for Unit 3 Reactor Vessel	Reactor Vessel Fabricator Notice to Contractor of Receipt of Core Shell Forging - Unit 3	12-3Q	(+) 5 Months	
2	2	12-2Q-5 Complete Unit 3 Pressurizer cladding on bottom head	Contractor Notified that Pressurizer Fabricator Performed Cladding on Bottom Head - Unit 3	13-1Q	(+) 8 Months	

Appendix 1, Chart B  
VC Summer Units 2 and 3

	Original Quarter	Milestone (BLRA Exhibit E)	Updated Milestone Terminology	Revised Year/Quarter	# of Months Delta (+/-)	Notes
12	3	12-3Q-2 Complete 1st Unit Squib Valve factory operational test	Squib Valve Fabricator Notice to Contractor of Completion of Assembly and Test for Squib Valve Hardware - Unit 2	12-2Q	(-) 3 Months	
12	3	12-3Q-3 Complete Unit 3 Accumulator Tank hydrotest	Accumulator Tank Fabricator Notice to Contractor of Satisfactory Completion of Hydrotest - Unit 3	12-4Q	(+) 5 Months	
12	4	12-4Q-1 Start containment large bore pipe supports for Unit 2	N/A	12-2Q	(-) 6 Months	
12	4	12-4Q-4 Complete 2nd Unit 3 Steam Generator tubing installation at fabricator	Steam Generator Fabricator Notice to Contractor of Completion of 2nd Steam Generator Tubing Installation - Unit 3	13-2Q	(+) 5 Months	
12	4	12-4Q-5 Complete 1st Unit 2 Steam Generator hydrotest at fabricator	Steam Generator Fabricator Notice to Contractor of Satisfactory Completion of 1st Steam Generator Hydrotest - Unit 2	12-2Q	(-) 7 Months	
13	1	13-1Q-2 Ship Unit 2 Passive Residual Heat Removal Heat Exchanger to site from fabricator	Passive Residual Heat Removal Heat Exchanger - Delivery of Equipment to Port of Entry - Unit 2	12-2Q	(-) 9 Months	
13	1	13-1Q-4 Ship Unit 2 Reactor Vessel Internals to site from fabricator	Deliver Reactor Vessel Internals to Port of Export - Unit 2	13-3Q	(+) 4 Months	
13	2	13-2Q-1 Set Unit 2 Containment Vessel	N/A	13-2Q	(+) 3 Months	

Appendix 1, Chart B  
VC Summer Units 2 and 3

	Original Quarter	Milestone (BLRA Exhibit)	Updated Milestone Terminology	Revised Year/Quarter	# of Months Delta (+/-)	Notes
13	2	13-2Q-2 Ship Unit 2 Steam Generator to site from fabricator	Steam Generator - Contractor Acceptance of Equipment at Port of Entry - Unit 2	13-1Q	(-) 1 Month	
13	2	13-2Q-4 Complete Unit 3 Pressurizer hydrotest at fabricator	Pressurizer Fabricator Notice to Contractor of Satisfactory Completion of Hydrotest - Unit 3	14-1Q	(+) 8 Months	
13	3	13-3Q-1 Set Unit 2 Reactor Vessel	N/A	13-2Q	(-) 2 Months	
13	3	13-3Q-2 Weld Unit 3 Steam Generator tubesheet to channel head	Steam Generator Fabricator Notice to Contractor of Completion of 2nd Channel Head to Tubesheet Assembly Welding - Unit 3	13-4Q	(+) 5 Months	
13	3	13-3Q-3 Complete Unit 3 Reactor Coolant Pump final stator assembly at fabricator	Reactor Coolant Pump Fabricator Notice to Contractor of Final Stator Assembly Completion - Unit 3	14-3Q	(+) 13 Months	
13	3	13-3Q-4 Ship Unit 2 Reactor Coolant Pumps to site from fabricator	Reactor Coolant Pump - Shipment of Equipment to Site (2 Reactor Coolant Pumps) - Unit 2	13-3Q	(+) 2 Months	
13	4	13-4Q-1 Set Unit 2 Steam Generator	N/A	13-3Q	(-) 3 Months	
13	4	13-4Q-3 Complete Unit 3 Reactor Vessel Internals to site from fabricator	Reactor Vessel Internals - Fabricator Start Perform Guide Tubes Free Path Test - Unit 3	15-2Q	(+) 16 Months	
13	4	13-4Q-4 Set Unit 2 Containment Vessel Bottom Head on basemat legs	N/A	13-3Q	(-) 3 Months	

Appendix 1, Chart B  
VC Summer Units 2 and 3

Original Quarter	Milestone (BLRA Exhibit E)	Updated Milestone Technology	Revised Year/Quarter	# of Months Delta (+/-)	Notes
2014	1	14-1Q-2 Complete Unit 3 Reactor Coolant Pump Factory Acceptance Test at fabricator	Reactor Coolant Pump Fabricator Notice to Contractor of Satisfactory Completion of Factory Acceptance Test - Unit 3	15-1Q (+) 13 Months	
2014	1	14-1Q-3 Ship Unit 3 Reactor Vessel Internals to site from fabricator	Deliver Reactor Vessel Internals to Port of Export - Unit 3	15-2Q (+) 15 Months	
2014	2	14-2Q-1 Complete welding of Unit 2 Passive Residual Heat Removal System piping	N/A	14-1Q (-) 3 Months	
2014	2	14-2Q-2 Ship Unit 3 Steam Generator to site from fabricator	Steam Generator - Contractor Acceptance of Equipment at Port of Entry - Unit 3	15-2Q (+) 12 Months	
2014	3	14-3Q-1 Set Unit 2 Polar Crane	N/A	14-2Q (-) 5 Months	
2014	3	14-3Q-2 Ship Unit 3 Reactor Coolant Pumps to site from fabricator	Reactor Coolant Pumps - Shipment of Equipment to Site - Unit 3	15-2Q (+) 11 Months	
2015	1	15-1Q-2 Complete Unit 2 Reactor Coolant System cold hydro	N/A	15-3Q (+) 5 Months	
2015	2	15-2Q-1 Activate class 1E DC power in Unit 2 Auxiliary Building	N/A	15-1Q (-) 3 Months	
2016	1	16-1Q-1 Unit 2 Substantial Completion	N/A	16-2Q (+) 2 Months	
2016	2	16-2Q-1 Set Unit 3 Reactor Vessel	N/A	15-4Q (-) 12 Months	
2016	3	16-3Q-1 Set Unit 3 Steam Generator #2	N/A	16-1Q (-) 8 Months	

Appendix 1, Chart B  
VC Summer Units 2 and 3

Original Year	Original Quarter	Milestone (BLRA Exhibit)	Updated Milestone Technology	Revised Year/Quarter	# of Months Delta (±)	Notes
2016	4	16-4Q-1 Set Unit 3 Pressurizer Vessel	N/A	16-2Q	(-) 8 Months	
2017	1	17-1Q-1 Complete welding of Unit 3 Passive Residual Heat Removal System piping	N/A	16-2Q	(-) 6 Months	
2017	2	17-2Q-1 Set Unit 3 polar crane	N/A	16-3Q	(-) 12 Months	
2017	3	17-3Q-1 Start Unit 3 Shield Building roof slab rebar placement	N/A	17-1Q	(-) 6 Months	
2017	4	17-4Q-1 Start Unit 3 Auxiliary Building electrical cable pulling	N/A	17-2Q	(-) 6 Months	
2018	1	18-1Q-1 Activate Unit 3 Auxiliary Building class 1E DC power	N/A	17-2Q	(-) 10 Months	
2018	2	18-2Q-1 Complete Unit 3 Reactor Coolant System cold hydro	N/A	18-1Q	(-) 4 Months	
2018	2	18-2Q-1 Complete Unit 3 hot functional test	N/A	18-1Q	(-) 4 Months	
2018	4	18-4Q-1 Begin Unit 3 full power operation	N/A	19-1Q	(-) 8 Months	
2019	2	19-1Q-1 Unit 3 Substantial Completion	N/A	19-1Q	(-) 4 Months	

## **APPENDIX 2**

### **V. C. Summer Nuclear Station Units 2 & 3**

#### **Quarterly Report to the South Carolina Office of Regulatory Staff Submitted by South Carolina Electric & Gas Company Pursuant to Public Service Commission Order No. 2009-104A**

#### **Quarter Ending March 31, 2009**

**Appendix 2** is an updated and expanded version of the information contained in Exhibit F to the Combined Application Hearing Exhibit 16, EEB-1-P/C. The information contained in **Appendix 2** has been updated or expanded to show:

1. The actual expenditures on the project by plant cost category through the current period.
2. The changes in capital costs reflecting the Company's current forecast of expenditures on the project for each future period by plant cost category. In updating its cost projections the Company has used the current construction schedule for the project and the Commission-approved inflation indices as set forth in **Appendix 5** to this report.
3. The cumulative Construction Work in Progress for the project and the balance of Construction Work in Progress that is not yet reflected in revised rates.
4. The current rate for calculating AFUDC computed as required under applicable FERC regulations.



# UPDATED and ANTICIPATED CONSTRUCTION EXPENDITURES

(Thousands of \$)

## V.C. Summer Units 2 and 3 - Summary of SCE&G Capital Cost Components

Ant Cost Categories	Actual											Projected			
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018			
Total	21,723	97,467	325,271	391,175	441,357	610,095	604,431	463,355	375,415	259,009	105,000	93,565			
Unescalated Project Costs	3,787,863	1,493,807	22,491	59,733	97,578	199,487	260,563	247,902	231,848	200,092	84,192	86,512			
Project Cost Escalation	392,003	-	37,812	40,770	49,410	55,308	55,994	52,233	43,838	29,417	18,818	8,403			
Contingency Escalation	167,323	-	2,775	6,999	12,922	19,523	24,632	28,098	27,522	22,993	15,608	6,251			
Total Net Cash Flow	5,840,996	21,723	388,349	498,677	601,267	884,413	945,620	791,588	678,623	511,511	223,618	194,731			
Transmission Projects	308,591	-	27	1,502	3,043	4,864	9,947	24,850	37,443	43,451	81,739	101,171			
Unescalated Project Costs	46,289	-	46	-	-	167	1,456	4,054	5,985	329	13,606	20,646			
Contingency Escalation	363,699	-	74	342	855	1,967	5,824	18,518	33,952	40,937	105,024	156,204			
Total Net Cash Flow	718,579	-	29	1,844	3,897	6,998	17,226	47,423	77,380	84,716	200,368	278,021			
Capital Project Cash Flow	6,559,576	21,723	389,024	500,521	605,164	891,411	962,846	839,011	756,003	596,227	423,986	472,752			
Cumulative Project Cash Flow	21,723	122,629	511,653	1,012,174	1,617,339	2,508,750	3,471,596	4,310,607	5,066,610	5,662,837	6,086,824	6,559,576			
UDC(Capitalized Interest)	315,739	645	3,496	15,973	23,979	36,328	45,517	45,035	39,297	25,923	22,789	28,659			
Gross Construction	6,875,315	22,368	404,997	524,501	633,262	927,739	1,008,363	884,046	795,301	622,151	446,776	501,411			
Construction Work in Process	22,368	126,770	531,766	1,056,267	1,689,529	2,617,268	3,625,631	4,509,677	5,304,977	5,927,128	6,373,904	6,875,315			
WIP Currently in Rates			65,961												
As of 30, 2009 Projected Incremental CWIP Not Currently in Rates			199,201												

Notes:

1. Present Period AFUDC rate applied 8.08%.

2. AFUDC rate applied is the current SCE&G rate. AFUDC rates can vary with changes in market interest rates.

3. SCE&G's embedded cost of capital, capitalization ratios, construction work in process, and SCE&G's short-term debt outstanding.

### **APPENDIX 3**

#### **V. C. Summer Nuclear Station Units 2 & 3**

**Quarterly Report to the South Carolina Office of Regulatory Staff  
Submitted by South Carolina Electric & Gas Company  
Pursuant to Public Service Commission Order No. 2009-104A**

**Quarter Ending March 31, 2009**

For comparison purposes, **Appendix 3** provides an original version of Exhibit F to the Combined Application Hearing Exhibit 16, EEB-1-P/C. It contains the original Cumulative Project Cash Flow for the project which was approved by the Commission, as the Approved Capital Cost of the Units, pursuant to S.C. Code Ann. § 58-33-270(B)(2), but subject to revision for escalation, changes in AFUDC rates and amounts, capital cost scheduling contingencies and other contingency adjustments as authorized in Order No. 2009-104A.

EXHIBIT F, Chart A to Combined Application  
Docket 2008-196-E

ANTICIPATED CONSTRUCTION SCHEDULE

(Thousands of \$)

V.C. Summer Units 2 and 3 - Summary of SCE&G Capital Cost Components

Cost Categories	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total	21,473	168,471	395,303	517,524	533,119	525,685	504,453	425,797	293,457	206,690	126,733	69,158
Unescalated Project Costs	-	-	-	-	-	-	-	-	-	-	-	-
Project Cost Escalation	-	4,080	32,529	72,881	103,707	137,905	172,041	180,354	143,984	123,017	82,462	45,630
Contingency(2007 \$)	-	9,968	27,844	40,770	49,411	55,308	55,994	52,233	43,838	29,417	18,818	8,403
Contingency Escalation	-	307	2,494	6,017	10,324	15,360	19,555	22,237	21,488	17,503	12,204	5,121
Total Net Cash Flow	21,473	182,826	458,170	637,192	696,561	734,258	752,043	680,621	502,767	376,627	240,217	128,312
Transmission Projects	-	-	308	-	-	1,111	9,707	27,029	39,903	2,192	90,704	137,637
Unescalated Project Costs	-	-	46	-	-	167	1,456	4,054	5,985	329	13,606	20,646
Contingency Escalation	-	-	24	-	-	388	4,392	15,199	27,126	1,765	85,213	149,033
Total Net Cash Flow	-	-	378	-	-	1,666	15,555	46,282	73,014	4,286	189,523	307,316
Total Project Cash Flow	21,473	182,826	458,548	637,192	696,561	735,924	767,598	726,903	575,781	380,913	429,740	435,628
Cumulative Project Cash Flow	21,473	204,299	662,847	1,300,039	1,996,600	2,732,524	3,500,122	4,227,025	4,802,806	5,183,719	5,613,459	6,049,087
JDC(Capitalized Interest)	645	5,204	17,292	24,459	31,461	34,135	34,466	33,650	28,726	13,395	17,577	23,279
Gross Construction	22,118	188,030	475,840	661,651	728,022	770,059	802,064	760,553	604,507	394,308	447,317	458,907
Construction Work in Process	22,118	210,148	685,988	1,347,639	2,075,661	2,845,720	3,647,784	4,408,337	5,012,844	5,407,152	5,854,469	6,313,376

as:  
DC rate applied 5.52%  
AFUDC rate applied is the current SCE&G rate. AFUDC rates can vary with changes in market interest rates, &G's embedded cost of capital, capitalization ratios, construction work in process, and SCE&G's short-term debt outstanding.

## **APPENDIX 4**

### **V. C. Summer Nuclear Station Units 2 & 3**

#### **Quarterly Report to the South Carolina Office of Regulatory Staff Submitted by South Carolina Electric & Gas Company Pursuant to Public Service Commission Order No. 2009-104A**

#### **Quarter Ending March 31, 2009**

**Chart A of Appendix 4** sets forth a schedule showing the Cumulative Project Cash Flow approved by the Commission for each year of the project, as adjusted for inflation and approved contingencies. The Cumulative Project Cash Flow target as approved in Order No. 2009-104A and as updated for escalation and other Commission-approved adjustments is found under the heading **“Per Order 2009-104A Adjusted.”** The adjustments reflect:

1. Changes in inflation indices.
2. Changes in the timing of capital costs based on the use of the Cost Rescheduling contingencies authorized by the Commission
3. Budget Carry-forward Adjustments used, where appropriate to track the effect of lower-than-expected cumulative costs on the future cumulative cash flow of the project.
4. Carry forward of unused contingencies from prior years and contingency timing adjustments related to the acceleration of capital costs as authorized by the Commission.

**Chart A of Appendix 4** also shows the cumulative cash flow for the project based on actual expenditures to date and the current construction schedule and forecast of year-by-year cost and going forward. This information is found under the heading **“Actual Through March, 2009, plus Projected.”** This part of **Appendix 4, Chart A** contains the same information that is presented in **Appendix 2** but unlike **Appendix 2**, it shows plant and transmission contingencies as a single pool of funds as was envisioned in Order No. 2009-104A.

**Chart B of Appendix 4** provides a comparison of the adjusted Cumulative Project Cash Flow target for the project with the actual and forecasted cash flow for the project. This section **Chart A of Appendix 4** also shows the cumulative contingency

available to cover any amount by which the actual or forecasted expenditure is greater than the approved target expenditure during any year.

**Chart C of Appendix 4** provides a year-by-year schedule of available contingency funds as well as their actual or anticipated use, and carry forward of unused amounts.

# RESTATED and UPDATED CONSTRUCTION EXPENDITURES

(Thousands of \$)

## V.C. Summer Units 2 and 3 - Summary of SCE&G Capital Cost Components

Per Order 2009 104-A Adjusted	Total	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Initial Project Cash Flow(per order)	6,049,087	21,473	182,826	458,548	637,192	696,561	735,924	767,598	726,903	575,781	380,913	429,740	435,628
Capital Cost Rescheduling Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-
Budget Carry-Forward Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingency Pool Timing Adjustment	-	-	(9,988)	9,988	-	-	-	-	-	-	-	-	-
Net	6,049,087	21,473	172,838	468,536	637,192	696,561	735,924	767,598	726,903	575,781	380,913	429,740	435,628
Adjusted for Change in Escalation	6,441,451	21,473	171,425	464,188	648,618	722,717	775,578	815,285	782,085	629,661	424,424	484,456	501,541
Relative Project Cash Flow(Target)	6,441,451	21,473	192,898	657,086	1,305,704	2,028,421	2,803,999	3,619,284	4,401,369	5,031,030	5,455,454	5,939,910	6,441,451

Actual through March, 2009 plus Projected	Actual	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Initial Cost Categories	Total	21,723	97,494	325,826	392,677	444,400	614,959	614,378	488,205	412,858	302,460	186,739	194,736
with No Adjustment	4,096,455	21,723	97,494	325,826	392,677	444,400	614,959	614,378	488,205	412,858	302,460	186,739	194,736
with Fixed Adjustment A	438,291	-	-	37,858	40,770	49,410	55,475	57,450	56,287	49,823	29,746	32,424	29,049
with Indexed Adjustment	4,534,746	21,723	97,494	363,684	433,447	493,810	670,434	671,828	544,492	462,681	332,206	219,162	223,785
Initial Craft Wages	2,024,830	-	3,411	25,340	67,074	111,355	220,977	291,019	294,518	293,322	264,022	204,824	248,967
Labor Costs	8,559,576	21,723	100,905	389,024	500,521	605,164	891,411	962,846	839,011	756,003	596,227	423,966	472,752
Materials	21,723	122,629	511,653	1,012,174	1,617,339	2,508,750	3,471,596	4,310,607	5,066,610	5,662,837	6,086,824	6,559,576	
Transmission Projects													

CONFIDENTIAL

**RESTATED and UPDATED CONSTRUCTION EXPENDITURES**

(Thousands of \$)

**V.C. Summer Units 2 and 3 - Summary of SCE&G Capital Cost Components**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b>Total</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Project Cash Flow Target	21,473	171,425	464,188	648,618	722,717	775,578	815,285	782,085	629,661	424,424	484,456	501,541
Revised Project Cash Flow	21,723	100,905	389,024	500,521	605,164	891,411	962,846	839,011	756,003	596,227	423,986	472,752
Comparison of Revised Cash Flow to Target												
Over Year Change	250	(70,520)	(75,164)	(148,097)	(117,553)	115,833	147,561	56,926	126,342	171,803	(60,470)	(28,789)
Cumulative Revised Project Cash Flow	21,723	122,829	511,653	1,012,174	1,617,339	2,508,750	3,471,596	4,310,607	5,068,610	5,662,837	6,086,824	6,559,576
Cumulative Project Cash Flow(Target)	21,473	192,898	657,086	1,305,704	2,028,421	2,803,999	3,619,284	4,401,369	5,031,030	5,455,454	5,939,910	6,441,451
Over/(Under)-Before Contingency	250	(70,269)	(145,433)	(293,530)	(411,082)	(295,249)	(147,688)	(90,762)	35,580	207,383	146,914	118,125
Adjusted Cumulative Available Contingency	-	-	37,858	78,628	128,038	183,513	240,963	297,250	347,073	376,819	409,243	438,291
Cumulative Use of Contingency	-	-	-	-	-	-	-	-	35,580	207,383	146,914	118,125
Adjusted Net Contingency Available	-	-	37,858	78,628	128,038	183,513	240,963	297,250	311,493	169,436	262,329	320,167

## Appendix 4, Chart C

### Contingency Schedule

(Thousands of \$)

	Actual		Projected									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
Total												
Original Projected Contingency	438,293	9,968	27,890	40,770	49,411	55,475	56,287	49,823	29,746	32,424	29,049	
Contingency Pool Timing Adjustment	-	(9,968)	9,968	-	-	-	-	-	-	-	-	
Revised Forecast	438,293	-	37,858	40,770	49,411	55,475	56,287	49,823	29,746	32,424	29,049	
Cumulative Contingency Available		-	37,858	78,628	128,039	183,514	240,964	297,251	347,074	409,244	438,293	
Application of Contingency	118,125	-	-	-	-	-	-	35,580	171,803	(60,470)	(28,789)	
Cumulative Use of Contingency		-	-	-	-	-	-	35,580	207,383	146,914	118,125	
Cumulative Net Contingency Available		-	37,858	78,628	128,039	183,514	240,964	297,251	311,494	169,437	320,168	



## **APPENDIX 5**

### **V. C. Summer Nuclear Station Units 2 & 3**

**Quarterly Report to the South Carolina Office of Regulatory Staff  
Submitted by South Carolina Electric & Gas Company  
Pursuant to Public Service Commission Order No. 2009-104A**

**Quarter Ending March 31, 2009**

**Appendix 5** shows the changes in the inflation indices approved in Order No. 2009-104A. Included is a ten year history of the Handy Whitman All Steam Index, South Atlantic Region; the Handy Whitman All Steam and Nuclear Index, South Atlantic Region; Handy Whitman All Transmission Plant Index, South Atlantic Region; and the Chained GDP Index. The change in the relevant indices from the Combined Application is also provided.

# Appendix 5, Chart A

## Inflation Indices, Chart A

HW All Steam Generation Plant Index, January 2009

<u>Year</u>	<u>Index</u>	<u>Yr/Yr change</u>	<u>Three year Average</u>	<u>Five Year Average</u>	<u>Ten Year Average</u>
2009	543	4.83%	7.19%	7.19%	4.9%
2008	518	8.14%	7.50%	6.65%	4.5%
2007	479	8.62%	7.66%	5.51%	
2006	441	5.76%	5.49%	4.17%	
2005	417	8.59%	4.39%	4.08%	
2004	384	2.13%	2.17%	2.65%	
2003	376	2.45%	3.22%	2.35%	
2002	367	1.94%	2.90%		
2001	360	5.26%	2.45%		
2000	342	1.48%			
1999	337	0.60%			
1998	335				

BLRA Filing <u>Jul-07</u>
7.68%
5.74%

Update  
Jan-09

HW All Steam Index:

One year  
Five Year

4.83%  
7.19%

# Appendix 5, Chart B

## Inflation Indices, Chart B

HW All Steam and Nuclear Generation Plant Index, January 2009

<u>Year</u>	<u>Index</u>	<u>Yr/Yr change</u>	<u>Three year Average</u>	<u>Five Year Average</u>	<u>Ten Year Average</u>
2009	542	4.84%	7.21%	7.20%	4.9%
2008	517	7.93%	7.52%	6.66%	4.5%
2007	479	8.86%	7.75%	5.57%	
2006	440	5.77%	5.51%	4.19%	
2005	416	8.62%	4.40%	4.09%	
2004	383	2.13%	2.18%	2.66%	
2003	375	2.46%	3.23%	2.35%	
2002	366	1.95%	2.91%		
2001	359	5.28%	2.46%		
2000	341	1.49%			
1999	336	0.60%			
1998	334				

BLRA	Update
Filing	Jan-09
Jul-07	
7.69%	4.84%
5.75%	7.20%

HW All Steam/Nuclear Index:

One year  
Five Year

# Appendix 5, Chart C

## Inflation Indices, Chart C

HW All Transmission Plant Index, January 2009

<u>Year</u>	<u>Index</u>	<u>Yr/Yr change</u>	<u>Three year Average</u>	<u>Five Year Average</u>	<u>Ten Year Average</u>
2009	580	7.4%	8.1%	8.60%	5.5%
2008	540	7.8%	8.5%	7.71%	4.7%
2007	501	9.2%	9.3%	6.1%	3.9%
2006	459	8.5%	7.2%	4.8%	
2005	423	10.2%	4.3%	4.5%	
2004	384	2.9%	1.7%	2.3%	
2003	373	-0.3%	3.1%	1.7%	
2002	374	2.5%	3.0%		
2001	365	7.0%	2.1%		
2000	341	-0.6%			
1999	343	-0.3%			
1998	344				

<b>BLRA</b>
Filing
<u>Jul-07</u>
8.82%
6.86%

Update  
Jan-09

7.41%  
8.60%

HW All Transmission Plant Index

One year  
Five Year

# Appendix 5

## Inflation Indices, Chart D

GDP Chained Price Index, 2008

ERIESTYPE	UNIT	SHORT LABEL	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Chained Price Index--Gross Domestic Product</b>													
(2000=100) Chained price index-gross domestic product, Source: BEA, Units: index- 2000=10													
I.S. Macro - 10 Year Baseline			96.48	97.87	100.00	102.40	104.19	106.41	109.46	113.04	116.68	119.82	122.50
-Year Annual Percent change				1.44%	2.18%	2.40%	1.75%	2.13%	2.87%	3.27%	3.22%	2.69%	2.24%
-Year Annual Percent change							2.11%	2.09%	2.25%	2.75%	3.12%	3.06%	2.72%
-Year Annual Percent change									2.26%	2.48%	2.64%	2.83%	2.86%
Consumer Price Index, All-Urban													2.42%
I.S. Macro - 10 Year Baseline	Index	Consumer price index, all-urban, Source: BLS, Units: - 1982-84=1.00	1.63	1.67	1.72	1.77	1.80	1.84	1.89	1.95	2.02	2.07	2.15
-Year Annual Percent change				2.19%	3.37%	2.82%	1.60%	2.30%	2.67%	3.37%	3.23%	2.86%	3.69%
-Year Annual Percent change							2.59%	2.24%	2.19%	2.78%	3.09%	3.15%	3.26%
-Year Annual Percent change									2.55%	2.55%	2.63%	2.88%	3.16%
Producer Price Index--Finished Goods													2.81%
I.S. Macro - 10 Year Baseline	Index	Producer price index-finished goods, Source: BLS, Units: index- 1982=1.0	1.31	1.33	1.38	1.41	1.39	1.43	1.48	1.56	1.60	1.67	1.77
-Year Annual Percent change				1.82%	3.76%	1.94%	-1.30%	3.18%	3.62%	4.85%	2.95%	3.92%	6.25%
-Year Annual Percent change							1.44%	1.26%	1.81%	3.88%	3.81%	3.91%	4.37%
-Year Annual Percent change									2.22%	2.44%	2.64%	3.70%	3.08%

BLRA Filing Jul-07	2.66% 2.81%
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Update  
Dec-08

DP Chained Price Index  
ne year  
ve Year

2.24%  
2.86%

# SOUTH CAROLINA ELECTRIC & GAS COMPANY

## Allocation of Base Load Review Increase

### 2008 Peak Demand Summary Allocations (Excluding City of Greenwood)

Class	Firm KW Demand	Overall Ratios
Residential	2,130,431	46.47%
Small General Service	755,551	16.48%
Medium General Service	489,011	10.67%
Large General Service	1,012,371	22.08%
<b>RETAIL</b>	<b>4,387,364</b>	<b>95.70%</b>
Wholesale	196,924	4.30%
<b>TOTAL</b>	<b>4,584,288</b>	<b>100.00%</b>

Total Revenue Requirement:

\$	23,545,558
----	------------

### Breakdown of Class Increases

	Retail Ratios	Allocated Increase
Residential	48.56%	\$ 10,942,073
Small General Service	17.22%	\$ 3,880,200
Medium General Service	11.15%	\$ 2,512,441
Large General Service	23.07%	\$ 5,198,386
<b>RETAIL</b>	<b>100.00%</b>	<b>\$ 22,533,100</b>

## Capitalization Ratios and Cost of Capital

### SOUTH CAROLINA ELECTRIC & GAS COMPANY / S.C. FUEL COMPANY REGULATORY CAPITALIZATION RATIOS FOR ELECTRIC OPERATIONS As of March 31, 2009 - Adjusted

	AMOUNT	RATIO	EMBEDDED COSTS	WEIGHTED AVERAGE COST OF CAPITAL	GROSS OF TAX
Long-Term Debt	\$ 2,871,488,400	48.73%	5.73%	2.79%	2.79%
Preferred Stock	\$ 113,758,800	1.93%	6.43%	0.12%	0.20%
Common Equity	<u>\$ 2,907,296,192</u>	<u>49.34%</u>	11.00%	<u>5.43%</u>	<u>8.83%</u>
Total Capitalization	<u>\$ 5,892,543,392</u>	<u>100.00%</u>		<u>8.34%</u>	<u>11.82%</u>

\* March 2009 actual adjusted for actual and planned equity transfers through June 30, 2009:

April, 2009	\$ 62,000,000	Equity Transfer
June 30, 2009 Projected	\$ 20,000,000	Additional Equity transfers planned by June 30 from Stock Plans

**South Carolina Electric & Gas Company  
Annual Request for Revised Rates  
(Thousands of \$)**

**(SCE&G Allocation Only)**

CWIP Currently in Rates as of June 30, 2008 (as approved in Commission Order No. 2009-104(A))	\$ 65,961
Incremental Actual additions to Plant through March 31, 2009	\$ 112,422
Incremental Actual AFUDC through March 31, 2009	\$ 4,557
Incremental Projected Additions to Plant April 1 through June 30, 2009	\$ 79,246
Incremental Projected AFUDC April 1 through June 30, 2009	<u>\$ 2,976</u>
Projected CWIP as of June 30, 2009	\$ 265,162
Incremental CWIP	<u>\$ 199,201</u>
Gross Cost of Capital	<u>11.82%</u>
Incremental Revenue Requirement	<u>\$ 23,546</u>
Allocation Factor for Retail Operation	<u>95.70%</u>
Allocated Retail Revenue Increase	<u>\$ 22,533</u>



## EXHIBIT F

### SOUTH CAROLINA ELECTRIC & GAS COMPANY PROPOSED ELECTRIC RATE SCHEDULES

Listed are the proposed electric rate schedules included as follows:

<u>Rate</u>	<u>Description</u>
1 (RGC)	Good Cents Residential Service
2	Low Use Residential Service
3 (M)	Municipal Power Service
5	Time-of-Use Residential Service
6 (RGCC)	Energy Saver / Conservation Residential Service
7	Time-of-Use Demand Residential Service
8	Residential Service
9	General Service
10	Small Construction Service
11	Irrigation Service
12 (C)	Church Service
13 (ML)	Municipal Lighting Service
14	Farm Service
15 (SS-1)	Supplementary and Standby Service
16	Time-of-Use General Service
19	Concurrent Demand Time-of-Use General Service
20	Medium General Service
21	General Service Time-of-Use Demand
21A	Experimental Program – General Service Time-of-Use Demand
22 (S)	School Service
23	Industrial Power Service
24	Large General Service Time-of-Use
28	Small General Service Time-of-Use Demand (Experimental)

**Contract Rates**

**SOUTH CAROLINA ELECTRIC & GAS COMPANY****ELECTRICITY****RATE 1 (RGC)****RESIDENTIAL SERVICE  
GOOD CENTS RATE****AVAILABILITY**

**Effective January 15, 1996 this schedule is closed and not available to any new structure.**

This rate is available to customers who meet the Company's Good Cents requirements and use the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residence and individually metered dwelling units in apartment structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total of more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit.

**CERTIFICATION REQUIREMENTS**

Prior to construction, the customer or prospective customer must contact the Company to ascertain the requirements of the Good Cents Program and to arrange for on-site inspections for compliance.

The dwelling unit must be certified by the Company to meet or exceed the Company's Good Cents Program requirements in force at the time of application in order to qualify for service under this rate schedule.

**CHARACTER OF SERVICE**

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire.

**RATE PER MONTH**

	<u>Summer</u> (Billing Months June-September)	<u>Winter</u> (Billing Months October-May)
Basic Facilities Charge:	\$ 8.00	\$ 8.00
Plus Energy Charge:		
First 800 Kwhrs. @	\$ 0.10682 per Kwhr.	\$ 0.10682 per Kwhr.
Excess over 800 Kwhrs. @	\$ 0.11750 per Kwhr.	\$ 0.10243 per Kwhr.

**MINIMUM CHARGE**

The monthly minimum charge shall be the basic facilities charge as stated above.

**ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS**

Fuel costs of \$.03671 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

**STORM DAMAGE COMPONENT**

The energy charges above include a storm damage component of \$.00043 per Kwhr. for accumulation of a storm damage reserve.

**SALES AND FRANCHISE TAX**

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

**PAYMENT TERMS**

All bills are net and payable when rendered.

**SPECIAL PROVISIONS**

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when customer pays the difference in costs between non-standard service and standard service or pays the Company its normal monthly facility charge based on such difference in costs.

**TERM OF CONTRACT**

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

**GENERAL TERMS AND CONDITIONS**

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval Of The Public  
Service Commission Of South Carolina

## RATE 2

## LOW USE RESIDENTIAL SERVICE

## AVAILABILITY

This rate is available to customers that meet the special conditions listed below, and are served by the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residences and individually metered dwelling units in apartment structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total of more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit.

## SPECIAL CONDITIONS OF SERVICE

- 1) This rate schedule is available to those accounts where the consumption has not exceeded 400 Kwhrs. for each of the twelve billing months preceding the billing month service is to be initially billed under this rate schedule. The customer must have occupied the dwelling unit for the entire time necessary to determine eligibility under this rate schedule.
- 2) Consumption during a billing period of more than 30 days, used to determine eligibility under this rate schedule, shall be adjusted to a 30 day billing period by application of a fraction, the numerator of which shall be 30 and the denominator of which shall be the actual number of days in the billing period.
- 3) The second billing month within a twelve billing month period that consumption under this rate schedule exceeds 400 Kwhrs. will terminate eligibility under this rate schedule.
- 4) Service will be billed under the previous rate schedule the next twelve billing periods before the customer will again be eligible for the Low Use Rate.

## CHARACTER OF SERVICE

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire.

## RATE PER MONTH

Basic Facilities Charge: \$ 8.00

Plus Energy Charge:

All Kwhrs. @ \$ 0.08327 per Kwhr.

## MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

## ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03671 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

## STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00043 per Kwhr. for accumulation of a storm damage reserve.

## SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

## PAYMENT TERMS

All bills are net and payable when rendered.

## SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

## TERM OF CONTRACT

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

## GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval Of The Public  
Service Commission Of South Carolina

**SOUTH CAROLINA ELECTRIC & GAS COMPANY****ELECTRICITY****RATE 3 (M)****MUNICIPAL  
POWER SERVICE****AVAILABILITY**

This rate is available to municipal customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system. This includes all municipally owned and operated facilities for power purposes including, but not restricted to public buildings and pumping stations. It is not available for resale or standby service.

**CHARACTER OF SERVICE**

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

**RATE PER MONTH**

Basic Facilities Charge: \$ 17.00

Plus Energy Charge:

Summer Billing Months (June-September)

All Kwhrs. @ \$ 0.09443 per Kwhr.

Winter Billing Months (October-May)

All Kwhrs. @ \$ 0.09443 per Kwhr.

**MINIMUM CHARGE**

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

**ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS**

Fuel costs of \$.03662 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

**STORM DAMAGE COMPONENT**

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

**SALES AND FRANCHISE TAX**

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

**PAYMENT TERMS**

All bills are net and payable when rendered.

**SPECIAL PROVISIONS**

Service shall not be supplied under this rate for establishments of a commercial nature, nor to operations primarily non-municipal. Under no conditions will the Company allow the service to be resold to or shared with others.

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

**TERM OF CONTRACT**

Contracts shall be written for a period of not less than ten (10) years. Contracts shall be written for a period of not less than ten (10) years.

**GENERAL TERMS AND CONDITIONS**

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval Of The Public  
Service Commission Of South Carolina

**SOUTH CAROLINA ELECTRIC & GAS COMPANY****ELECTRICITY****RATE 5****RESIDENTIAL SERVICE  
TIME OF USE****AVAILABILITY**

This rate is available on a voluntary basis to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residences and individually metered dwelling units in apartment structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total of more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit.

**CHARACTER OF SERVICE**

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire.

**RATE PER MONTH****I. Summer Months of June-September**

A. Basic Facilities Charge:	\$	12.00	
B. Energy Charge:			
All on-peak Kwhrs.@	\$	0.24622	per Kwhr.
All off-peak Kwhrs.@	\$	0.08375	per Kwhr.
C. Minimum Bill:			
The monthly minimum charge shall be the basic facilities charge			

**II. Winter Months of October-May**

A. Basic Facilities Charge:	\$	12.00	
B. Energy Charge:			
All on-peak Kwhrs.@	\$	0.22406	per Kwhr.
All off-peak Kwhrs.@	\$	0.08375	per Kwhr.
C. Minimum Bill:			
The monthly minimum charge shall be the basic facilities charge			

**DETERMINATION OF ON-PEAK HOURS****A. On-Peak Hours:**

Summer Months of June-September:

The on-peak summer hours are defined as the hours between 2:00 p.m.-7:00 p.m., Monday-Friday, excluding holidays.\*

Winter Months of October-May:

The on-peak winter hours are defined as the hours between 7:00 a.m.-12:00 noon, Monday-Friday, excluding holidays.\*

**B. Off-Peak Hours:**

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

\*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

**ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS**

Fuel costs of \$.03671 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

**STORM DAMAGE COMPONENT**

The energy charges above include a storm damage component of \$.00043 per Kwhr. for accumulation of a storm damage reserve.

**SALES AND FRANCHISE TAX**

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

**PAYMENT TERMS**

All bills are net and payable when rendered.

**SPECIAL PROVISIONS**

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

The Company shall have the right to install and operate special metering equipment to measure customer's loads or any part thereof and to obtain any other data necessary to determine the customer's load characteristics.

The Company's levelized payment plans are not available to customers served under this rate schedule.

**TERM OF CONTRACT**

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

**GENERAL TERMS AND CONDITIONS**

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval Of The Public  
Service Commission Of South Carolina

## RATE 6 (RGCC)

RESIDENTIAL SERVICE  
ENERGY SAVER/  
CONSERVATION RATE  
(Page 1 of 2)

## AVAILABILITY

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residences and individually metered dwelling units in apartment structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total of more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit.

The builder or homeowner must provide the following:

- 1) For new homes only - Proof that home meets the Council of American Building Officials Model Energy Code.
- 2) Receipts showing the purchase and installation of a new AC unit that meets the requirements as shown below.
- 3) A certificate issued by an installer showing a wall total cavity R value of 15 (R-15).
- 4) Certification from builder stating that requirements have been met.

The Company may perform an on-site audit to verify that customer meets availability requirements as stated herein.

## THERMAL AND AIR CONDITIONING REQUIREMENTS FOR ENERGY CONSERVATION

The following requirements are predicated on the Council of American Building Officials Model Energy Code and subject to change with a change in the Council of American Building Officials Model Energy Code. Sufficient application of thermal control products and specified air conditioning requirements must be met to satisfy the minimum standards outlined below:

- Ceilings:** Ceilings of newly constructed homes shall be insulated with a total "as installed" thermal resistance (R) value of 30 (R-30).  
Ceilings of manufactured housing shall be insulated with a thermal resistance (R) value of 30 (R-30).  
Ceilings of existing housing shall be insulated with a total "as installed" thermal resistance (R) value of 38 (R-38).
- Lighting:** Recessed ceiling lights shall be sealed.
- Walls:** Walls exposed to the full temperature differential (TD), or unconditioned areas, shall have a total cavity R value of 15 (R-15).  
\*This is not a requirement for existing housing.
- Floors:** Floors over crawl space or crawl space walls shall have insulation installed having a total R value of 19 (R-19).  
100% of the exposed earth in a crawl space shall be covered with a vapor barrier of no less than (4) mills.
- Windows:** Windows shall be insulated (double) glass or have storm windows.
- Doors:** Doors exposed to full TD areas must be weather-stripped on all sides and of solid construction.
- Ducts:** Air ducts located outside of conditioned space must have: 1) all joints properly fastened and sealed, and, 2) the duct shall have a minimum installed insulation R-value of 6.0. All joints in ductwork outside of the conditioned space must be permanently sealed with the application of duct sealant. Transverse joints, take-offs, transitions, supply/return connections to the air handler, boot connections to the floor/ceiling/wall, and framed-in and panned passages must be made airtight with duct sealant.
- Attic Vent:** Attic ventilation must be a minimum of one square foot of net free area for each 150 square feet attic floor area.
- Water Heaters:** Electric water heaters must have insulation surrounding the tank with minimum total R value of 8 (R-8).
- Air Condition:** All air conditioners must have a SEER rating of 1.5 SEER higher than the rating shown in the Council of American Building Officials Model Energy Code or 12 SEER or any federal or state mandated energy codes, whichever is higher.
- Other:** Chimney flues and fireplaces must have tight fitting dampers.

\*Insulation thermal resistance values are shown for insulation only, framing corrections will not be considered.

The "as installed" thermal resistance (R) value for all loose fill or blowing type insulation materials must be verifiable either by installed density using multiple weighted samples, the manufacturer's certification methods, Federal Trade Commission's procedures or other methods specified by local governing agencies.

**SOUTH CAROLINA ELECTRIC & GAS COMPANY****ELECTRICITY****RATE 6 (RGCC)****RESIDENTIAL SERVICE  
ENERGY SAVER/  
CONSERVATION RATE**  
(Page 2 of 2)**CHARACTER OF SERVICE**

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire.

**RATE PER MONTH**

	<u>Summer</u> (Billing Month June-September)	<u>Winter</u> (Billing Month October-May)
Basic Facilities Charge:	\$ 8.00	\$ 8.00
Plus Energy Charge:		
First 800 Kwhrs. @	\$ 0.10682 per Kwhr.	\$ 0.10682 per Kwhr.
Excess over 800 Kwhrs. @	\$ 0.11750 per Kwhr.	\$ 0.10243 per Kwhr.

**MINIMUM CHARGE**

The monthly minimum charge shall be the basic facilities charge as stated above.

**ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS**

Fuel costs of \$.03671 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

**STORM DAMAGE COMPONENT**

The energy charges above include a storm damage component of \$.00043 per Kwhr. for accumulation of a storm damage reserve.

**SALES AND FRANCHISE TAX**

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

**PAYMENT TERMS**

All bills are net and payable when rendered.

**SPECIAL PROVISIONS**

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

**TERM OF CONTRACT**

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

**GENERAL TERMS AND CONDITIONS**

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

## RATE 7

RESIDENTIAL SERVICE  
TIME-OF-USE DEMAND

## AVAILABILITY

This rate is available on a voluntary basis to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residences and individually metered dwelling units in apartments structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total or more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit.

## CHARACTER OF SERVICE

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire.

## RATE PER MONTH

I. Basic Facilities Charge: \$ 12.00

## II. Demand Charge:

## A. On-Peak Billing Demand

Summer Months of June-September @	\$ 10.38	per KW
Non-Summer Months of October-May @	\$ 6.52	per KW

## III. Energy Charge:

All on-peak Kwhrs. @	\$ 0.08053	per Kwhr.
All off-peak Kwhrs. @	\$ 0.06190	per Kwhr.

## MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

## BILLING DEMAND

The maximum integrated fifteen minute demand for the current month occurring during the on-peak hours specified below. The maximum integrated fifteen minute demand for any period may be recorded on a rolling time interval.

## DETERMINATION OF ON-PEAK HOURS

## A. On-Peak Hours:

Summer Months of June-September:

The on-peak summer hours are defined as the hours between 2:00 p.m.-7:00 p.m., Monday-Friday, excluding holidays.\*

Non-Summer Months of October-May:

The on-peak winter hours are defined as the hours between 7:00 a.m.-12:00 noon, Monday-Friday, excluding holidays.\*

## B. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

\*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

## ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03671 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

## STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00043 per Kwhr. for accumulation of a storm damage reserve.

## SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

## PAYMENT TERMS

All bills are net and payable when rendered.

## SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

The Company shall have the right to install and operate special metering equipment to measure customer's loads or any part thereof and to obtain any other data necessary to determine the customer's load characteristics.

The Company's levelized payment plans are not available to customers served under this rate schedule.

## TERM OF CONTRACT

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

## GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.



**SOUTH CAROLINA ELECTRIC & GAS COMPANY****ELECTRICITY****RATE 8****RESIDENTIAL SERVICE****AVAILABILITY**

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residences and individually metered dwelling units in apartment structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total of more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit.

**CHARACTER OF SERVICE**

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire.

**RATE PER MONTH**

	<b>Summer</b> (Billing Month June-September)	<b>Winter</b> (Billing Month October-May)
Basic Facilities Charge:	\$ 8.00	\$ 8.00
Plus Energy Charge:		
First 800 Kwhrs. @	\$ 0.11066 per Kwhr.	\$ 0.11066 per Kwhr.
Excess over 800 Kwhrs. @	\$ 0.12173 per Kwhr.	\$ 0.10612 per Kwhr.

**MINIMUM CHARGE**

The monthly minimum charge shall be the basic facilities charge as stated above.

**ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS**

Fuel costs of \$.03671 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

**STORM DAMAGE COMPONENT**

The energy charges above include a storm damage component of \$.00043 per Kwhr. for accumulation of a storm damage reserve.

**SALES AND FRANCHISE TAX**

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

**PAYMENT TERMS**

All bills are net and payable when rendered.

**SPECIAL PROVISIONS**

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

**TERM OF CONTRACT**

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

**GENERAL TERMS AND CONDITIONS**

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval Of The Public  
Service Commission Of South Carolina

**SOUTH CAROLINA ELECTRIC & GAS COMPANY****ELECTRICITY****RATE 9****GENERAL SERVICE**

(Page 1 of 2)

**AVAILABILITY**

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for general light and/or power purposes such as commercial, industrial, religious, charitable and eleemosynary institutions. It is not available for resale service.

**CHARACTER OF SERVICE**

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

**RATE PER MONTH**

	<u>Summer</u> (Billing Months June-September)	<u>Winter</u> (Billing Months October-May)
Basic Facilities Charge:	\$ 17.00	\$ 17.00

**Demand Charge:**

First 250 KVA of Billing Demand	No Charge	No Charge
Excess over 250 KVA of Billing Demand @	\$ 3.07 per KVA	No Charge

The Billing Demand (to the nearest whole KVA) shall be the maximum integrated fifteen (15) minute demand measured during the billing months of June through September.

**Energy Charge:**

First 3,000 Kwhrs. @	\$ 0.11005 per Kwhr.	\$ 0.11005 per Kwhr.
Over 3,000 Kwhrs. @	\$ 0.11709 per Kwhr.	\$ 0.10224 per Kwhr.

**MINIMUM CHARGE**

The monthly minimum charge shall be the basic facilities charge and demand charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

**ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS**

Fuel costs of \$.03662 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

**STORM DAMAGE COMPONENT**

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

**SALES AND FRANCHISE TAX**

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

**POWER FACTOR**

If the power factor of the Customer's installation falls below 85%, the Company may adjust the billing to a basis of 85% power factor.

**TEMPORARY SERVICE**

Temporary service for construction and other purposes will be supplied under this rate in accordance with the Company's Terms and Conditions covering such service.

**PAYMENT TERMS**

All bills are net and payable when rendered.

Effective Upon Approval Of The Public  
Service Commission Of South Carolina

**RATE 9****GENERAL SERVICE**

(Page 2 of 2)

**SPECIAL PROVISIONS**

This rate is available for residential service where more than one dwelling unit is supplied through a single meter, provided service to such dwelling unit was established prior to July 1, 1980.

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

**UNMETERED SERVICE PROVISION**

When customer's usage can be determined and in the sole opinion of the Company, installation of metering equipment is impractical or uneconomical, monthly Kwhrs. may be estimated by the Company and billed at the above rate per month, except that the basic facilities charge shall be \$5.50.

**TERM OF CONTRACT**

Contracts for installation of a permanent nature shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

**GENERAL TERMS AND CONDITIONS**

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

## RATE 10

## SMALL CONSTRUCTION SERVICE

## AVAILABILITY

This rate is available as a temporary service for builders using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for general lighting and/or power purposes during construction. It is not available for resale or standby service.

## CHARACTER OF SERVICE

Alternating Current, 60 hertz, single phase, two or three wire at Company's standard secondary service voltages of 240 volts or less.

## RATE PER MONTH

Basic Facilities Charge: \$ 8.00

Plus Energy Charge:  
All Kwhrs. @ \$ 0.11052 per Kwhr.

## MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

## ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03662 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

## STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

## SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

## PAYMENT TERMS

All bills are net and payable when rendered.

## SPECIAL PROVISIONS

If providing temporary service requires the Company to install transformers and other facilities which must be removed when temporary service is no longer required, then the customer may be required to pay the cost of installing and removing the Company's temporary facilities.

## TERM OF CONTRACT

Contracts shall be written for a period of time commencing with establishment of service and ending when construction is suitable for occupancy or one year, which is less. A separate contract shall be written for each meter at each location.

## GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

## RATE 11

## IRRIGATION SERVICE

## AVAILABILITY

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system. It is not available for resale. This schedule is available for service furnished for the operation of electric motor driven pumps and equipment supplying water for the irrigation of farmlands and plant nurseries, and irrigation to provide adequate moisture for vegetative cover to control erosion and provide runoff. The pumping units served hereunder shall be used solely for the purpose of irrigation.

All motors of more than 5 H.P. shall be approved by the Company. The Company reserves the right to deny service to any motor which will be detrimental to the service of other customers. Upon request, customer may pay all cost associated with upgrading the system to the point at which starting the customer's motor will not degrade the service to the other customers.

## CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

## RATE PER MONTH

## I. Summer Months of June-September

A. Basic Facilities Charge:	\$ 20.65
B. Energy Charge:	
All on-peak Kwhrs.@	\$ 0.20073 per Kwhr.
All shoulder Kwhrs.@	\$ 0.11642 per Kwhr.
All off-peak Kwhrs.@	\$ 0.06995 per Kwhr.

## II. Winter Months of October-May

A. Basic Facilities Charge:	\$ 20.65
B. Energy Charge:	
All Kwhrs.@	\$ 0.06995 per Kwhr.

## MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, except when the revenue produced by the customer does not sufficiently support the investment required to serve the load. The Company will determine in each case the amount and form of payment required to correct the revenue deficiency.

## DETERMINATION OF ON-PEAK SHOULDER, AND OFF-PEAK HOURS

## A. On-Peak Hours:

Summer Months of June-September:

The on-peak summer hours are defined as the hours between 2:00 p.m.-6:00 p.m., Monday-Friday, excluding holidays.\*

## B. Shoulder Hours:

Summer Months of June-September:

The shoulder summer hours are defined as the hours between 10:00 a.m.-2:00 p.m. and 6:00 p.m.-10:00 p.m., Monday-Friday, excluding holidays.\*

## C. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak or shoulder hours.

\*Holidays are Independence Day and Labor Day.

## ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03662 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

## STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

## SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

## PAYMENT TERMS

All bills are net and payable when rendered.

## SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

The Company shall have the right to install and operate special metering equipment to measure customer's loads or any part thereof and obtain any other data necessary to determine the customer's load characteristics.

## TERM OF CONTRACT

Contracts for installations shall be written for a period of not less than ten (10) years. A separate contract shall be written for each meter at each location.

## GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval Of The Public  
Service Commission Of South Carolina

## RATE 12 (C)

## CHURCH SERVICE

## AVAILABILITY

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for general light and/or power service to churches. It is not available for resale or standby service. It is only available to recognized churches.

## CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

## RATE PER MONTH

Basic Facilities Charge: \$ 11.30

Plus Energy Charge:

All Kwhrs. @ \$ 0.09464 per Kwhr.

## MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

## ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03662 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

## STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

## SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

## PAYMENT TERMS

All bills are net and payable when rendered.

## SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Under no conditions will the Company allow the service to be resold to or shared with others. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

When a church offers activities that, in the sole opinion of the Company, are of a commercial nature such as day care, camps or recreational activities, the Company may require that the account be served under the appropriate general service rate.

## TERM OF CONTRACT

Contracts shall be written for a period of not less than five (5) years. A separate contract shall be written for each meter at each location.

## GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

**SOUTH CAROLINA ELECTRIC & GAS COMPANY****ELECTRICITY****RATE 13 (ML)****MUNICIPAL  
LIGHTING SERVICE****AVAILABILITY**

This rate is available to municipal customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system. This includes all municipally owned and operated facilities for lighting streets, highways, parks and other public areas, or other signal system service. It is not available for resale or standby service.

**CHARACTER OF SERVICE**

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

**RATE PER MONTH**

Basic Facilities Charge: \$ 17.00

Plus Energy Charge:

All Kwhrs. @ \$ 0.08905 per Kwhr.

**MINIMUM CHARGE**

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

**ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS**

Fuel costs of \$.03662 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

**STORM DAMAGE COMPONENT**

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

**SALES AND FRANCHISE TAX**

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or governmental body.

**PAYMENT TERMS**

All bills are net and payable when rendered.

**SPECIAL PROVISIONS**

Service shall not be supplied under this rate for establishments of a commercial nature, nor to operations primarily non-municipal. Under no circumstances will the Company allow the service to be resold or shared with others.

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

**TERM OF CONTRACT**

Contracts shall be written for a period of not less than ten (10) years.

**GENERAL TERMS AND CONDITIONS**

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval Of The Public  
Service Commission Of South Carolina

## RATE 14

## FARM SERVICE

## AVAILABILITY

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system on farms for producing but not processing agricultural, dairy, poultry and meat products.

Service shall not be supplied under this rate for establishments of a commercial nature such as stores, shops, stands, restaurants, service stations or any non-farm operations; nor for processing, distributing or selling farm or other products not originating through production on the premises served. Motors rated in excess of 20 H.P. will not be served on this rate. It is available for farm commercial operations including irrigation, grain elevators and crop drying for farm products produced on the premises served. It is not available for resale service.

## CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

## RATE PER MONTH

	<u>Summer</u> (Billing Months June-September)		<u>Winter</u> (Billing Months October-May)	
Basic Facilities Charge:	\$	8.00	\$	8.00
Plus Energy Charge:				
First 800 Kwhrs.@	\$	0.11052 per Kwhr.	\$	0.11052 per Kwhr.
Excess over 800 Kwhrs.@	\$	0.12159 per Kwhr.	\$	0.10598 per Kwhr.

## MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs Exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

## ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03662 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

## STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

## SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state and governmental body.

## PAYMENT TERMS

All bills are net and payable when rendered.

## SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

## TERM OF CONTRACT

The contract terms will depend on the conditions of service. No contract shall be written for a period of not less than five (5) years. A separate contract shall be written for each meter at each location.

## GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.



**RATE 15 (SS-1)****SUPPLEMENTARY AND STANDBY SERVICE****AVAILABILITY**

Available to Small Power Producers and co-generators that are a Quality Facility as defined by the Federal Energy Regulatory Commission (FERC) Order No. 70 under Docket No. RM 79-54. This schedule is not available to Qualifying Facilities with a power production capacity greater than 100 KW.

**SUPPLEMENTARY SERVICE**

Supplementary service is defined herein as power supplied by the Company to a Qualifying Facility in addition to that which the Qualifying Facility generates itself. Supplementary service will be provided by the Company under a retail electric service schedule which the customer will establish in conjunction with the implementation of this Supplementary and Standby Service rate.

**SUPPLEMENTARY SERVICE**

- 1) Standby service under this schedule is defined herein as power supplied by the Company to a Qualifying Facility to replace energy ordinarily generated by a Qualifying Facility during a scheduled or unscheduled outage.
- 2) Standby service is available to customers establishing a firm demand which is billed under a retail electric service schedule of the Company. If no firm demand is established by the customer for the purpose of taking Supplementary power, then Standby service will be provided as Supplementary service and billed on the applicable retail electric service schedule.
- 3) Standby service is defined for each 15-minute interval as the minimum of: (1) the Standby contracted demand, and, (2) the difference between the measured load and the contracted firm demand, except that such difference shall not be less than zero.
- 4) Supplementary Service is defined as all power supplied by the Company not defined herein as Standby Service.
- 5) The Standby contract demand shall be limited to the power production capacity of the Qualifying Facility.

**STANDBY SERVICE POWER RATE PER MONTH**

Basic Facilities Charge	\$ 160.00
Demand Charge per KW of Contract Demand	\$ 4.55
Energy Charge:	
On-Peak KWH	\$ 0.05770
Off-Peak KWH	\$ 0.04411

**DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS**

- A. On-Peak Hours:  
On-peak hours are defined to be 10:00 a.m. - 10:00 p.m. for the months of June-September, excluding weekends.
- B. Off-Peak Hours:  
All hours not defined as on-peak hours are considered to be off-peak.

**POWER FACTOR**

The customer must maintain a power factor of as near unity as practicable. If the power factor of the customer's installation falls below 85%, the Company shall adjust the billing demand to a basis of 85% power factor.

**LIMITING PROVISION**

The Standby Service power rate will be available for 1325 annual hours of consumption beginning in May and ending in April, or for a prorated share thereof for customers who begin to receive service in months other than May. Accounts on this rate are subject to the following condition: Standby service will be available for a maximum of 120 On-Peak Hours.

If this account exceeds: (1) 1325 hours of Standby service annually, or (2) 120 on-peak hours of Standby service, the account will be billed on the rate normally applied to customer's Supplementary service load for the current billing month and the subsequent eleven months.

**ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS**

Fuel costs of \$.03654 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

**STORM DAMAGE COMPONENT**

The energy charges above include a storm damage component of \$.00008 per Kwhr. for accumulation of a storm damage reserve.

**SALES AND FRANCHISE TAX**

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

**PAYMENT TERMS**

All bills are net and payable when rendered.

**SPECIAL PROVISIONS**

The customer is responsible for all costs associated with interconnection to the Company's system for the purpose of obtaining Supplementary or Standby power.

**TERM OF CONTRACT**

Contracts shall be written for a period of not less than three (3) years.

**GENERAL TERMS AND CONDITIONS**

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

**SOUTH CAROLINA ELECTRIC & GAS COMPANY****ELECTRICITY****RATE 16****GENERAL SERVICE  
TIME-OF-USE****AVAILABILITY**

This rate is available to any non-residential customer using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for power and light requirements and having an on-peak demand of less than 1,000 KW. The second billing month within a twelve billing month period that on-peak demand exceeds 1,000 KW will terminate eligibility under this rate schedule. It is not available for resale service.

**CHARACTER OF SERVICE**

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

**RATE PER MONTH**

<b>I. Basic Facilities Charge:</b>		\$ 20.65
<b>II. Energy Charge:</b>		
<b>A. On-Peak Kwhrs.</b>		
1. Months of June-September	\$ 0.20073	per Kwhr.
2. Months of October-May	\$ 0.15353	per Kwhr.
<b>B. Off-Peak Kwhrs.</b>		
First 1,000 off-peak Kwhrs. @	\$ 0.08210	per Kwhr.
Excess over 1,000 off-peak Kwhrs. @	\$ 0.08703	per Kwhr.

**DETERMINATION OF ON-PEAK HOURS****A. On-Peak Hours:**

June-September:

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.\*

October-May:

The on-peak non-summer hours are defined as those hours between 6:00 a.m.-10:00 a.m. and 6:00 p.m.-10:00 p.m.

Monday-Friday, excluding holidays.\*

**B. Off-Peak Hours:**

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

\*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

**MINIMUM CHARGE**

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction cost in addition to the rate charges above.

**ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS**

Fuel costs of \$.03662 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

**STORM DAMAGE COMPONENT**

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

**SALES AND FRANCHISE TAX**

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

**POWER FACTOR**

If the power factor of the customer's installation falls below 85%, the Company may adjust the billing to a basis of 85% power factor.

**PAYMENT TERMS**

All bills are net and payable when rendered.

**SPECIAL PROVISIONS**

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

**TERM OF CONTRACT**

The contract terms will depend on the conditions of service. Contracts for installations of a permanent nature shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

**GENERAL TERMS AND CONDITIONS**

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval Of The Public  
Service Commission Of South Carolina

## RATE 19

GENERAL SERVICE  
CONCURRENT DEMAND  
TIME-OF-USE

(Page 1 of 2)

## AVAILABILITY

This rate is available at the Company's discretion, to a maximum of 10 business entities using the Company's standard electric service. Each business entity shall be comprised of at least 2 non-contiguous premises having a total combined contract demand of at least 1,000 KVA. In addition, each premises shall have a minimum contract demand of 50 KVA. A business entity is defined as a single corporation, partnership, or individual owner. This rate is not available for individual franchise units of a business, nor for subsidiaries operating as a separate corporation or partnership. The individual premises which comprise the business entity should possess similar characteristics and/or load patterns common to the industry in which the entity does business. This schedule is not available to entities which form an association or similar organization solely in an attempt to qualify for service under this rate. The Company reserves the right to make a final determination on what constitutes a business entity as well as the premises making up that entity. This rate is not available for residential customers or resale service.

Service under this rate schedule is dependent on the Company procuring and installing necessary metering equipment and may not be available to premises where multiple delivery points on contiguous properties are not currently combined under contract.

## CHARACTER OF SERVICE

Alternating Current, 60 hertz, three phase metering at the delivery voltage which shall be standard to the Company's operation.

## RATE PER MONTH

I. The Diversity Charge will be computed utilizing actual data or modeled using available sample data from similar entities. Once actual data is available for a twelve month period, the Diversity Charge will be reviewed and may be adjusted. The Diversity charge will not be less than zero. The Diversity Charge will be computed according to the following formula:

$$\text{Diversity Charge} = \frac{AC1 - AC2}{12}$$

Where AC1 = Annual Cost Under Current Rate(s)

AC2 = Annual Cost Projected Under Concurrent Rate

II. Basic Facilities Charge: \$ 160.00 per Premises

## III. Demand Charge:

## A. Concurrent On-Peak Billing Demand

1. Summer Months of June-September @ \$ 19.30 per KVA
2. Non-Summer Months of October-May @ \$ 12.82 per KVA

## B. Concurrent Off-Peak Billing Demand

1. All Off-Peak Billing Demand @ \$ 3.59 per KVA

## IV. Energy Charge:

## A. On-Peak Kwhrs.

1. Summer Months of June-September @ \$ 0.08425 per Kwhr.
2. Non-Summer Months of October-May @ \$ 0.05770 per Kwhr.

## B. Off-Peak Kwhrs.

1. All Off-Peak Kwhrs. @ \$ 0.04411 per Kwhr.

## BILLING DEMAND

The concurrent billing demand for the entity will be the maximum integrated 15 minute concurrent demand which may be on a rolling time interval for all the premises' metering points during the calendar month.

For the summer months, the concurrent on-peak billing demand shall be the maximum integrated fifteen minute concurrent demand measured during the on-peak hours of the current month.

For the non-summer months, the concurrent on-peak billing demand will be the greater of: (1) the maximum integrated fifteen minute concurrent demand measured during the on-peak hours of the current month, or (2) eighty percent (80%) of the maximum integrated concurrent demand occurring during the on-peak hours of the preceding months.

The concurrent off-peak billing demand shall be the greatest of the following positive differences: (1) the maximum integrated fifteen minute concurrent demand measured during the off-peak hours minus the on-peak billing demand, (2) the contract demand minus the on-peak billing demand, or (3) 50 KVA per premises minus the on-peak billing demand.

Effective Upon Approval Of The Public  
Service Commission Of South Carolina

## RATE 19

GENERAL SERVICE  
CONCURRENT DEMAND  
TIME-OF-USE  
(Page 2 of 2)

**DETERMINATION OF ON-PEAK AND OFF PEAK HOURS****A. On-Peak Hours During Summer Months:**

June-September:

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.\*

**B. On-Peak Hours During Non-Summer Months:**

May and October:

The on-peak non-summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.\*

November-April:

The off-peak non-summer hours are defined as the hours between 6:00 a.m.-12:00 noon and 5:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.\*

**C. Off-Peak Hours:**

The off-peak hours in any month are defined as all hours not specified above as on-peak hours.

\*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

**ADDITION OR REMOVAL OF A PREMISES**

An additional premises may be added subsequent to the initial five (5) year contract without an increase in the diversity charge if the entity extends the existing concurrent contract so that the term extends five (5) years after the addition of the new premises. A premises existing at the time that the entity initially elects to take service under this rate schedule may be added without an extension in the concurrent contract term; however, there will be an increase in the diversity charge as each pre-existing premises is added. If an entity wants to terminate service to a premises under this rate schedule and the same time does not add another premises which includes an extension of the contract term, the Company will determine the appropriate termination charge. Alternatively, if the entity adds an additional premises and prefers not to extend the contract term, the diversity charge will increase accordingly and the entity agrees to reimburse the Company for the total cost of connection to the Company's system if service to the new premises is terminated within five (5) years of the service date.

**ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS**

Fuel costs of \$.03654 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

**STORM DAMAGE COMPONENT**

The energy charges above include a storm damage component of \$.00022 per Kwhr. for accumulation of a storm damage reserve.

**BILLING AND PAYMENT TERMS**

Bills will be calculated on a monthly basis. Each premises will receive an individual information bill and the entity will receive a combined bill summarizing all of the premises. All payments, as well as any credit and collection activities, will be at the entity level. All bills are net and payable when rendered.

**SALES AND FRANCHISE TAX**

For each premises served under this rate, any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body, will be added to the monthly bill.

**METERING**

Service under this rate will be provided only after the Company procures and installs at each premises metering which has interval data capabilities to allow for the aggregation of demand for each 15 minute interval in the billing period. Each entity may be required to contribute to the cost of metering installed by the Company to qualify for service under this rate. In addition, the entity must provide a dedicated phone line at each metering point.

**TERM OF CONTRACT**

The contract terms will depend on the conditions of service above. No contract shall be written for a period of less than five (5) years. A master contract shall be written to include all premises amended as premises are added or deleted.

**SPECIAL PROVISIONS**

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

**GENERAL TERMS AND CONDITIONS**

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

## RATE 20

## MEDIUM GENERAL SERVICE

## AVAILABILITY

This rate is available to any non-residential customer using the Company's standard service for power and light requirements and having a contract demand of 75 KVA or over. It is not available for resale service.

## CHARACTER OF SERVICE

Alternating Current, 60 hertz, three phase, metering at the delivery voltage which shall be standard to the Company's operation.

## RATE PER MONTH

## Demand Charge:

First 75 KVA of Billing Demand	\$ 1,277.50
Excess over 75 KVA of Billing Demand @	\$ 15.10 per KVA

The billing demand (to the nearest whole KVA) shall be the greatest of: (1) the maximum integrated fifteen minute demand measured (which may be on a rolling time interval) during the current month; or (2) eighty percent (80%) of the highest demand occurring during the billing months June through September in the eleven preceding months; or (3) sixty percent (60%) of the highest demand occurring during the billing months of October through May in the eleven preceding months; or (4) the contract demand; or (5) 75 KVA.

## Plus Energy Charge:

First 75,000	\$ 0.04962 per Kwhr.
Excess over 75,000	\$ 0.04669 per Kwhr.

## MINIMUM CHARGE

The monthly minimum charge is the demand as determined above. The Company may allow a buildup period not to exceed six months for new and expanding accounts during which time the contract demand and/or the minimum demand specified in the rate schedule may be waived. The Company shall not commit itself to a buildup period exceeding six months without prior approval of the Commission for the specific account involved.

## ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03654 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

## STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00022 per Kwhr. for accumulation of a storm damage reserve.

## SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

## PAYMENT TERMS

All bills are net and payable when rendered.

## SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

## TERM OF CONTRACT

The contract terms will depend on the conditions of service. No contract shall be written for a period of less than five (5) years.  
A separate contract shall be written for each meter.

## GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective Upon Approval Of The Public  
Service Commission Of South Carolina

## RATE 21

GENERAL SERVICE  
TIME-OF-USE-DEMAND

(Page 1 of 2)

## AVAILABILITY

This rate is available to any customer using the Company's standard service for power and light requirements and having a contract demand of 50 KVA and a maximum demand of less than 1,000 KVA. It is not available for resale service.

## CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, metering at the delivery voltage which shall be standard to the Company's operation.

## RATE PER MONTH

<b>I. Basic Facilities Charge:</b>		\$	160.00
<b>II. Demand Charge:</b>			
A. On-Peak Billing Demand:			
1. Summer Months of June-September @	\$	19.30	per KVA
2. Non-Summer Months of October-May @	\$	12.82	per KVA
B. Off-Peak Billing Demand			
1. All Off-Peak Billing Demand @	\$	3.59	per KVA
<b>III. Energy Charge:</b>			
A. On-Peak Kwhrs.			
1. Summer Months of June-September @	\$	0.08425	per Kwhr.
2. Non-Summer Months of October-May @	\$	0.05770	per Kwhr.
B. Off-Peak Kwhrs.			
1. All Off-Peak Kwhrs. @	\$	0.04411	per Kwhr.

## BILLING DEMAND

The billing demands will be rounded to the nearest whole KVA. The maximum integrated fifteen minute demand for any period may be recorded on a rolling time interval.

For the summer months, the on-peak billing demand shall be the maximum integrated fifteen minute demand measured during the on-peak hours of the current month.

For the non-summer months, the on-peak billing demand will be the greater of: (1) the maximum integrated fifteen minute demand measured during the on-peak hours of the current month, or (2) eighty percent (80%) of the maximum integrated demand occurring during the on-peak hours of the preceding summer months.

The off-peak billing demand shall be the greatest of the following positive differences: (1) the maximum integrated fifteen minute demand measured during the off-peak hours minus the on-peak billing demand, (2) the contract demand minus the on-peak billing demand or (3) 50 KVA minus the on-peak billing demand.

## DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

**A. On-Peak Hours During Summer Months:**

June-September:

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.\*

**B. On-Peak Hours During Non-Summer Months:**

May and October:

The on-peak non-summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.\*

November-April:

The on-peak non-summer hours are defined as these hours between 6:00 a.m.-12:00 noon and 5:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.\*

**C. Off-Peak Hours:**

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

\*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

**RATE 21****GENERAL SERVICE  
TIME-OF-USE-DEMAND  
(Page 2 of 2)****ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS**

Fuel costs of \$.03654 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

**STORM DAMAGE COMPONENT**

The energy charges above include a storm damage component of \$.00022 per Kwhr. for accumulation of a storm damage reserve.

**SALES AND FRANCHISE TAX**

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

**PAYMENT TERMS**

All bills are net and payable when rendered.

**SPECIAL PROVISIONS**

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

**TERM OF CONTRACT**

The contract terms will depend on the conditions of service. No contract shall be written for a period less than five (5) years. A separate contract shall be written for each meter at each location.

**GENERAL TERMS AND CONDITIONS**

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

## RATE 21A

## EXPERIMENTAL PROGRAM - GENERAL SERVICE

## TIME-OF-USE-DEMAND

(Page 1 of 2)

## AVAILABILITY

This rate is available on a voluntary "first come, first serve" basis to the first 250 Rate 20 customer accounts and any Rate 21 customer account that qualify under the provisions of the stipulation approved by the South Carolina Public Service Commission in Docket #2002-223-E order No. 2003-38 dated January 31, 2003. This rate will be closed after the initial participant group is established, except there will be 25 additional customer accounts that will be allowed to participate on a "first come first serve" basis for new facilities constructed by customers in the initial participant group and as provided for in the stipulation as referenced above. The stipulation referenced above shall provide guidance as to any issue regarding availability on this rate. It is not available for resale service.

## CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, metering at the delivery voltage which shall be standard to the Company's operation.

## RATE PER MONTH

<b>I. Basic Facilities Charge:</b>		\$ 160.00
<b>II. Demand Charge:</b>		
A. On-Peak Billing Demand:		
1. Summer Months of June-September @	\$ 18.53	per KVA
2. Non-Summer Months of October-May @	\$ 11.51	per KVA
B. Off-Peak Billing Demand		
1. All Off-Peak Billing Demand @	\$ 3.59	per KVA
<b>III. Energy Charge:</b>		
A. On-Peak Kwhrs.		
1. Summer Months of June-September @	\$ 0.07793	per Kwhr.
2. Non-Summer Months of October-May @	\$ 0.05337	per Kwhr.
B. Off-Peak Kwhrs.		
1. All Off-Peak Kwhrs. @	\$ 0.04189	per Kwhr.

## BILLING DEMAND

The billing demands will be rounded to the nearest whole KVA. The maximum integrated fifteen minute demand for any period may be recorded on a rolling time interval.

For the summer months, the on-peak billing demand shall be the maximum integrated fifteen minute demand measured during the on-peak hours of the current month.

For the non-summer months, the on-peak billing demand will be the greater of: (1) the maximum integrated fifteen minute demand measured during the on-peak hours of the current month, or (2) eighty percent (80%) of the maximum integrated demand occurring during the on-peak hours of the preceding summer months.

The off-peak billing demand shall be the greatest of the following positive differences: (1) the maximum integrated fifteen minute demand measured during the off-peak hours minus the on-peak billing demand, (2) the contract demand minus the on-peak billing demand or (3) 50 KVA minus the on-peak billing demand.

## DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

## A. On-Peak Hours During Summer Months:

June-September:

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.\*

## B. On-Peak Hours During Non-Summer Months:

May and October:

The on-peak non-summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.\*

November-April:

The on-peak non-summer hours are defined as these hours between 6:00 a.m.-12:00 noon and 5:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.\*

## C. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

\*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

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Service Commission Of South Carolina



**RATE 21A****EXPERIMENTAL PROGRAM - GENERAL SERVICE  
TIME-OF-USE-DEMAND  
(Page 2 of 2)****ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS**

Fuel costs of \$.03654 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

**STORM DAMAGE COMPONENT**

The energy charges above include a storm damage component of \$.00022 per Kwhr. for accumulation of a storm damage reserve.

**SALES AND FRANCHISE TAX**

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

**PAYMENT TERMS**

All bills are net and payable when rendered.

**SPECIAL PROVISIONS**

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

**TERM OF CONTRACT**

The contract terms will depend on the conditions of service. The contract for this experimental program shall be written for a period of 48 months as provided for in the stipulation approved by the South Carolina Public service Commission in docket No. 2002-223-E, order No. 2003-38 dated July 31, 2003. A separate contract shall be written for each meter at each location.

**GENERAL TERMS AND CONDITIONS**

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

**SOUTH CAROLINA ELECTRIC & GAS COMPANY****ELECTRICITY****RATE 22 (S)****SCHOOL SERVICE****AVAILABILITY**

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for general light and/or power service to schools. It is not available for resale service. It is only available to recognized non-boarding schools with up through grade twelve.

**CHARACTER OF SERVICE**

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

**RATE PER MONTH**

Basic Facilities Charge:		\$	11.30
Plus Energy Charge:			
First	50,000 Kwhrs.@	\$	0.09654 per Kwhr.
Excess over	50,000 Kwhrs.@	\$	0.11187 per Kwhr.

**MINIMUM CHARGE**

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

**ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS**

Fuel costs of \$.03662 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

**STORM DAMAGE COMPONENT**

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

**SALES AND FRANCHISE TAX**

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

**PAYMENT TERMS**

All bills are net and payable when rendered.

**SPECIAL PROVISIONS**

The Company will furnish service in accordance with its standard specifications. Under no conditions will the Company allow the service to be resold to or shared with others. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

When a school offers activities that, in the sole opinion of the Company, are of a commercial nature such as day care, camps or recreational activities, the Company may require that the account be served under the appropriate general service rate.

**TERM OF CONTRACT**

Contracts shall be written for a period of not less than five (5) years. A separate contract shall be written for each meter at each location.

**GENERAL TERMS AND CONDITIONS**

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval Of The Public  
Service Commission Of South Carolina

## RATE 23

## INDUSTRIAL POWER SERVICE

## AVAILABILITY

This rate is available to any customer classified in the major industrial group of manufacturing with 10-14 or 20-39 as the first two digits of the Standard Industrial Classification or 21 or 31-33 as the first two digits of the six digit North American Industry Classification System using the Company's standard service for power and light requirements and having a contract demand of 1,000 KW or over. It is not available for resale service.

## CHARACTER OF SERVICE

Alternating Current, 60 hertz, three phase, metering at the delivery voltage which shall be standard to the Company's operation.

## RATE PER MONTH

## Demand Charge:

First 1,000 KW of Billing Demand	\$ 13,980.00
Excess over 1,000 KW of Billing Demand @	\$ 12.48 per KW

The billing demand (to the nearest whole KW) shall be the greatest of: (1) the maximum integrated fifteen minute demand measured (which may be on a rolling time interval) during the current month; or (2) eighty percent (80%) of the highest demand occurring during the billing months of June through September in the eleven preceding months; or (3) sixty (60%) of the highest demand occurring during the billing months of October through May in the eleven preceding months; or (4) the contract demand; or (5) 1,000 KW.

The customer shall maintain a power factor of as near unity as practicable. If the power factor of the customer's installation falls below 85%, the Company will adjust the billing demand to a basis of 85% power factor.

## Plus Energy Charge:

All Kwhrs. @	\$ 0.04536 per Kwhr.
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## DISCOUNT

A discount of \$0.60 per KW of billing demand will be allowed when the service is supplied at a delivery voltage of 46,000 volts or higher.

## MINIMUM CHARGE

The monthly minimum charge is the demand as determined above. The Company may allow a buildup period not to exceed six months for new and expanding accounts during which time the contract demand and/or the minimum demand specified in the rate schedule may be waived. The Company shall not commit itself to a buildup period exceeding six months without prior approval of the Commission for the specific account involved.

## ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03646 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

## STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00008 per Kwhr. for accumulation of a storm damage reserve.

## SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

## PAYMENT TERMS

All bills are net and payable when rendered.

## SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

## TERM OF CONTRACT

The contract terms will depend on the conditions of service. No contract shall be written for a period less than five (5) years. A separate contract shall be written for each meter at each location.

## GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective Upon Approval Of The Public  
Service Commission Of South Carolina

## RATE 24

## LARGE GENERAL SERVICE

## TIME-OF-USE

(Page 1 of 2)

## AVAILABILITY

This rate is available to any customer using the Company's standard service for power and light requirements and having a contract demand of 1,000 KW or over. It is not available for resale service.

## CHARACTER OF SERVICE

Alternating Current, 60 hertz, three phase, metering at the delivery voltage which shall be standard to the Company's operation.

## RATE PER MONTH

<b>I. Basic Facilities Charge:</b>	\$ 1,500.00
<b>II. Demand Charge:</b>	
A. On-Peak Billing Demand	
1. Summer Months of June-September @	\$ 15.13 per KW
2. Non-Summer Months of October-May @	\$ 10.61 per KW
B. Off-Peak Billing Demand	
1. All Off-Peak Billing Demand @	\$ 4.55 per KW
<b>III. Energy Charge:</b>	
A. On-Peak Kwhrs.	
1. Summer Months of June-September @	\$ 0.07518 per Kwhr.
2. Non-Summer Months of October-May @	\$ 0.05424 per Kwhr.
B. Off-Peak Kwhrs.	
1. All Off-Peak Kwhrs. @	\$ 0.04153 per Kwhr.

## BILLING DEMAND

The billing demands will be rounded to the nearest whole KW. If the power factor of the customer's current month maximum integrated fifteen minute KW demand for the on-peak and off-peak time periods are less than 85%, then the Company will adjust same to 85%. The maximum integrated fifteen minute demand for any period may be recorded on a rolling time interval.

For the summer months, the on-peak billing demand shall be the maximum integrated fifteen minute demand measured during the on-peak hours of the current month.

For the non-summer months, the on-peak billing demand will be the greater of: (1) the maximum integrated fifteen minute demand measured during the on-peak hours of the current month, or (2) eighty percent (80%) of the maximum integrated demand occurring during the on-peak hours of the preceding summer months.

The off-peak billing demand shall be the greatest of the following positive differences: (1) the maximum integrated fifteen minute demand measured during the off-peak hours minus the on-peak billing demand, or (2) the contract demand minus the on-peak billing demand, or (3) 1,000 KW minus the on-peak billing demand.

## DISCOUNT

A discount of \$0.60 per KW of on-peak and off-peak billing demand will be allowed when the service is supplied at a delivery voltage of 46,000 volts or higher.

## DETERMINATION OF ON-PEAK HOURS

## A. On-Peak Hours During Summer Months:

June-September:

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.\*

## B. On-Peak Hours During Non-Summer Months:

May and October:

The on-peak non-summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.\*

November-April:

The on-peak non-summer hours are defined as those hours between 6:00 a.m.-12:00 noon and 5:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.\*

## C. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

\*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Effective Upon Approval Of The Public  
Service Commission Of South Carolina

## RATE 24

## LARGE GENERAL SERVICE

## TIME-OF-USE

(Page 2 of 2)

**MINIMUM CHARGE**

The monthly minimum charge is the demand as determined above. The Company may allow a buildup period not to exceed six months for new and expanding accounts during which time the contract demand and/or the minimum demand specified in the rate schedule may be waived. The Company shall not commit itself to a buildup period exceeding six months without prior approval of the Commission for the specific account involved.

**ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS**

Fuel costs of \$.03646 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

**STORM DAMAGE COMPONENT**

The energy charges above include a storm damage component of \$.00008 per Kwhr. for accumulation of a storm damage reserve.

**SALES AND FRANCHISE TAX**

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local government body.

**PAYMENT TERMS**

All bills are net and payable when rendered.

**SPECIAL PROVISIONS**

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

**TERM OF CONTRACT**

The contract terms will depend on the conditions of service. No contract shall be written for a period of less than five (5) years. A separate contract shall be written for each meter at each location.

**GENERAL TERMS AND CONDITIONS**

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

**RATE 28**  
**(EXPERIMENTAL)**
**SMALL GENERAL SERVICE**  
**TIME-OF-USE DEMAND**  
 (Page 1 of 2)

**AVAILABILITY**

This rate is available to any non-residential customer using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for power and light requirements and having an on-peak demand of not more than 100 KW. The second billing month within a twelve billing month period that on-peak demand exceeds 100 KW will terminate eligibility under this rate schedule. It is not available for resale service. This rate is available to a maximum of 25 customers not enrolled under the Company's Rider to Rates 7 & 28 - Net Metering For Renewable Energy Facilities.

**CHARACTER OF SERVICE**

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

**RATE PER MONTH**

<b>I. Basic Facilities Charge:</b>	\$ 20.65
<b>II. Demand Charge:</b>	
A. On-Peak Billing Demand:	
1. Summer months of June-September @	\$ 16.67 per KW
2. Non-Summer months of October-May @	\$ 10.42 per KW
B. Off-Peak Billing Demand	
1. All Off-Peak Billing Demand @	\$ 3.33 per KW
<b>III. Energy Charge:</b>	
A. On-Peak Kwhrs.	
1. All On-Peak Kwhrs. @	\$ 0.09550 per Kwhr.
B. Off-Peak Kwhrs.	
2. All Off-Peak Kwhrs. @	\$ 0.07346 per Kwhr.

**BILLING DEMAND**

The billing demands will be rounded to the nearest whole KW. The maximum integrated fifteen minute demand for any period may be recorded on a rolling time interval.

For the summer months, the on-peak billing demand shall be the maximum integrated fifteen minute demand measured during the on-peak hours of the current month.

For the non-summer months, the on-peak billing demand will be the greater of: (1) the maximum integrated fifteen minute demand measured during the on-peak hours of the current month, or (2) eighty percent (80%) of the maximum integrated demand occurring during the on-peak hours of the preceding summer months.

The off-peak billing demand shall be the greatest of the following positive differences: (1) the maximum integrated fifteen minute demand measured during the off-peak hours minus the on-peak billing demand or (2) the contract demand minus the on-peak billing demand.

**DETERMINATION OF ON-PEAK HOURS**
**A. On-Peak Hours:**

June-September:

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.\*

October-May:

The on-peak non-summer hours are defined as those hours between 6:00 a.m.-10:00 a.m. and 6:00 p.m.-10:00 p.m.

Monday-Friday, excluding holidays.\*

**B. Off-Peak Hours:**

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

\*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

**MINIMUM CHARGE**

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction cost in addition to the rate charges above.

**ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS**

Fuel cost of \$.03662 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

**STORM DAMAGE COMPONENT**

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

**SALES AND FRANCHISE TAX**

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

**POWER FACTOR**

If the power factor of the customer's installation falls below 85%, the Company may adjust the billing to a basis of 85% power factor.

**RATE 28  
(EXPERIMENTAL)****SMALL GENERAL SERVICE  
TIME-OF-USE DEMAND**

(Page 2 of 2)

**PAYMENT TERMS**

All bills are net and payable when rendered.

**SPECIAL PROVISIONS**

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

The Company shall have the right to install and operate special metering equipment to measure customer's loads or any part thereof and to obtain any other data necessary to determine the customer's load characteristics.

**TERM OF CONTRACT**

The contract terms will depend on the conditions of service. Contracts for installations of a permanent nature shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

**GENERAL TERMS AND CONDITIONS**

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

# SOUTH CAROLINA ELECTRIC & GAS COMPANY

## ELECTRIC CONTRACTED RATES

<u>Name of Customer</u>	<u>Rate</u>
State Line Accounts*	23
U. S. Department of Energy Savannah River Operations	
Base Contract	<u>Demand Charge:</u> Basic Facility Charge \$ 1,500.00 First 20,000 Kw \$ 10.61 per KW Excess over 20,000 Kw \$ 12.48 per KW <u>Energy Charge:</u> All KWhr. @ \$ 0.04536 per KWhr.

### INTERNATIONAL PAPER Eastover Mills

Economy Power Rate	<u>Administrative Charges:</u> \$ 1,500.00 per month <u>On-Peak Energy Charge:</u> Fuel cost of highest cost generation unit or purchased power (other than cogeneration) plus \$ 0.01111 per KWhr. <u>Off-Peak Energy Charge:</u> Fuel cost of highest cost generation unit or purchased power (other than cogeneration) plus \$ 0.00611 per KWhr. <u>Excess Demand Charge:</u> \$ 17.50 per KW
Standby Power Rate	<u>Demand Charge:</u> On-peak June-September \$ 0.32975 per KW/Day On-peak October-May \$ 0.18115 per KW/Day Off-peak \$ 0.12986 per KW/Day <u>Energy Charge:</u> Same as that for Economy Power above <u>Excess Demand Charge:</u> \$ 17.50 per KW



# SOUTH CAROLINA ELECTRIC & GAS COMPANY

## ELECTRIC CONTRACTED RATES

### INTERNATIONAL PAPER - continued

#### Maintenance Power Rate

Demand Charge: \$ 0.39058 per KW/Day

Energy Charge: \$ 0.04536 per Kwhr.

Company Provided KVAR \$ 0.14773 per KVAR

### Montenay Charleston Recovery Inc

#### Standby Power Rate

Facility Charge: \$ 1,500.00 per Month

Demand Charge:

First 1325 hours of standby service \$ 5.62 per KW

Excess over 1325 hours of standby service \$ 12.48 per KW

Energy Charge:

On-peak \$ 0.05265 per Kwhr.

Off-peak \$ 0.04536 per Kwhr.

#### Maintenance Power Rate

Demand Charge: \$ 0.28311 per KW/Day

Energy Charge: \$ 0.04536 per Kwhr.

Contracted lighting, signal and  
roadway lighting, etc.

Negotiated Contracts

\* After contractual (1925 and 1955) adjustments

Note: (1) Fuel costs of \$.03646 per KWhr are included in the Energy Charge and subject to adjustment by order of the Public Service Commission of South Carolina.

(2) The Energy Charges above include a storm damage component of \$.00008 per KWhr for accumulation of a storm damage reserve except contracted lighting, including signal and roadway lighting, which is \$.00152 per KWhr.

**Retail Rate Impact Projections**  
(\$millions)

<b>Retail Impact of Gross Revenue Required</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Total</b>
	<b>95.70%</b>														
Retail Margin Forecast(existing rates)	\$ 1,272	\$ 1,273	\$ 1,281	\$ 1,311	\$ 1,358	\$ 1,351	\$ 1,366	\$ 1,379	\$ 1,405	\$ 1,433	\$ 1,460	\$ 1,486	\$ 1,513	\$ 1,533	
Base Retail Fuel Costs @ Current Rates	\$ 810	\$ 805	\$ 805	\$ 832	\$ 867	\$ 868	\$ 880	\$ 890	\$ 908	\$ 925	\$ 942	\$ 959	\$ 977	\$ 990	
Nuclear Fuel Cost Adjustment										\$ (123)	\$ (123)	\$ (123)	\$ (255)	\$ (255)	
Production Tax Credits Applied to Fuel Costs										\$ (124)	\$ (101)	\$ (65)	\$ (98)	\$ (98)	
Net	\$ 810	\$ 805	\$ 805	\$ 832	\$ 867	\$ 868	\$ 880	\$ 890	\$ 908	\$ 677	\$ 718	\$ 772	\$ 623	\$ 637	
Total Base Revenues	\$ 2,082	\$ 2,079	\$ 2,086	\$ 2,143	\$ 2,226	\$ 2,219	\$ 2,245	\$ 2,269	\$ 2,313	\$ 2,110	\$ 2,177	\$ 2,258	\$ 2,137	\$ 2,170	
Incremental Revenue Requirements-BLRA	\$ -	\$ 7.8	\$ 22.5	\$ 58.5	\$ 66.7	\$ 87.1	\$ 110.0	\$ 110.2	\$ 99.3	\$ 256.3	\$ 55.5	\$ 81.3	\$ 174	\$ -	
Cumulative Revenue Requirements-BLRA	\$ -	\$ 7.8	\$ 30.3	\$ 88.8	\$ 155.6	\$ 242.6	\$ 352.6	\$ 462.8	\$ 562.1	\$ 818.4	\$ 873.9	\$ 955.2	\$ 1,129.1	\$ 1,129	
Gross Revenue	\$ 2,082	\$ 2,086	\$ 2,117	\$ 2,232	\$ 2,381	\$ 2,462	\$ 2,598	\$ 2,732	\$ 2,875	\$ 2,928	\$ 3,051	\$ 3,213	\$ 3,266	\$ 3,299	
Retail Sales	22,150	22,014	22,007	22,751	23,710	23,729	24,051	24,343	24,810	25,284	25,756	26,228	26,698	27,070	
\$/KWH	\$ 0.0940	\$ 0.0948	\$ 0.0962	\$ 0.0981	\$ 0.1004	\$ 0.1037	\$ 0.1080	\$ 0.1122	\$ 0.1159	\$ 0.1158	\$ 0.1185	\$ 0.1225	\$ 0.1223	\$ 0.1219	
Annual Rate Change		0.4%	1.1%	2.0%	2.4%	3.3%	4.1%	3.9%	3.2%	-0.1%	2.3%	3.4%	-0.2%	-0.4%	2.02%

**Incremental revenue requirements in 2016 and 2019 include projected in-service costs**

The forecasts listed here are indicative of the rate impacts that may be expected from construction and operation of VCSNS Units 2 & 3 on a stand-alone basis. These forecasts do not reflect overall rate changes during the period, which may include changes in such things as fuel costs and base rates. In addition, actual rate impacts from the Units will vary based on such things as the actual rates of growth in customers and demand during the period, changes in SCE&G's, cost of capital, changes in the amount and timing of investment in the Units, changes in in-service expenses, and other factors.